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LEGISLATIVE HISTORY

Public Law 86-735

H. R. 13021

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INDEX AND SUMMARY OF H. R. 13021

- Aug. 12, 1960 Sen. Fulbright introduced S. 3839 which was referred to Senate Foreign Relations Committee. Print of bill as introduced.
- Aug. 17, 1960 Rep. Morgan introduced H. R. 13021 which was referred to House Foreign Affairs Committee. Print of bill as introduced.
- Sen. Fulbright, of Senate Foreign Relations Committee, reported an original bill, S. 3861, which was discussed by Sens. Smathers, Johnson, Mansfield and Lausche. S. Report No. 1838. Print of bill, report, and remarks.
- Aug. 19, 1960 Senate passed S. 3861 without amendment.
- Aug. 22, 1960 S. 3861 was referred to House Foreign Affairs Committee.
- Aug. 25, 1960 House committee reported H. R. 13021 with amendments. H. Report No. 2163. Print of bill and report.
- Aug. 30, 1960 House Rules Committee reported a resolution for consideration of H. R. 13021. H. Res. 637, H. Report No. 2209. Print of resolution and report not available.
- Aug. 31, 1960 House passed H. R. 13021 with amendments.
- Senate passed H. R. 13021 without amendment.
- Sept. 8, 1960 Approved: Public Law 86-735.

DIGEST OF PUBLIC LAW 86-735

AID FOR LATIN AMERICA AND CHILE. Authorizes the appropriation of \$500 million to provide assistance in the development of Latin America, primarily for improvement in conditions of rural living and land use, housing and community facilities, educational systems, and basic sanitation facilities. Authorizes the appropriation of \$100 million to assist in the reconstruction and rehabilitation of Chile as a result of a series of earthquakes and floods.



S. 3839

AUGUST 12 (legislative day, AUGUST 11), 1960

Mr. FULBRIGHT (by request) introduced the following bill; which was read twice and referred to the Committee on Foreign Relations

To provide for assistance in the development of Latin America
and in the reconstruction of Chile, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 CHAPTER I—PROGRAM FOR DEVELOPMENT IN LATIN
4 AMERICA

5 SEC. 101. Chapter II of the Mutual Security Act of
6 1954, as amended, which relates to economic assistance, is
7 amended by adding after title IV the following new title V:

8 "TITLE V—PROGRAM FOR DEVELOPMENT IN
9 LATIN AMERICA

10 “SEC. 425. DECLARATION OF PURPOSE.—The Congress
11 of the United States reaffirms the warm and enduring friend-

1 ship of the people of the United States for the peoples of
2 Latin America. The Congress recognizes that for these
3 peoples to continue to progress within the framework of our
4 common heritage of democratic ideals, there is a compelling
5 need for the achievement of social and economic advance
6 adequate to meet the legitimate aspirations of the individual
7 citizens of the countries of Latin America for a better way of
8 life. To achieve this advance requires the maximum of
9 self-help measures on the part of the individual countries
10 aided by a united and cooperative effort throughout this
11 hemisphere in a positive program for social and economic
12 progress. The Congress, therefore, reaffirms the policy of
13 the United States to encourage and to help our Latin Ameri-
14 can neighbors to accelerate their efforts to strengthen the
15 social and economic structure of their countries and to provide
16 greater opportunity to their individual citizens.

17 "SEC. 426. AUTHORIZATION.—In order to carry out the
18 purposes of this title, there is hereby authorized to be appro-
19 priated to the President not to exceed \$500,000,000, which
20 shall remain available until expended, and which the Presi-
21 dent may use, in addition to other funds available for such
22 purposes, on such terms and conditions as he may specify."

1 CHAPTER II—RECONSTRUCTION IN CHILE

2 SEC. 201. Section 400 (b) of the Mutual Security Act of
3 1954, as amended, which relates to special assistance, is
4 amended to read as follows:

5 “(b) There is hereby authorized to be appropriated to
6 the President not to exceed \$100,000,000, which shall re-
7 main available until expended, for use, in addition to other
8 funds available for such purposes, in the reconstruction and
9 rehabilitation of Chile on such terms and conditions as the
10 President may specify.”.

11 CHAPTER III—CONTINGENCY FUND

12 SEC. 301. Section 451 (b) of the Mutual Security Act
13 of 1954, as amended, which relates to the President's special
14 authority and contingency fund, is amended by striking out
15 “\$150,000,000” in the first sentence and substituting
16 “\$250,000,000”.

A BILL

To provide for assistance in the development of Latin America and in the reconstruction of Chile, and for other purposes.

By Mr. FULBRIGHT

AUGUST 12 (legislative day, AUGUST 11), 1960
Read twice and referred to the Committee on
Foreign Relations

86TH CONGRESS
2D SESSION

H. R. 13021

IN THE HOUSE OF REPRESENTATIVES

AUGUST 17, 1960

Mr. MORGAN (by request) introduced the following bill; which was referred to the Committee on Foreign Affairs

A BILL

To provide for assistance in the development of Latin America and in the reconstruction of Chile, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 STATEMENT OF POLICY

4 SECTION 1. (a) It is the sense of the Congress that—

5 (1) the historic, economic, political, and geographic
6 relationships among the American Republics are unique
7 and of special significance and, as appropriate, should
8 be so recognized in future legislation;

9 (2) although governmental forms differ among the
10 American Republics, the peoples of all the Americas

1 are dedicated to the creation and maintenance of gov-
2 ernments which will promote individual freedom;

3 (3) the interests of the American Republics are
4 so interrelated that sound social and economic progress
5 in each is of importance to all and that lack of it in any
6 American Republic may have serious repercussions in
7 others;

8 (4) for the peoples of Latin America to continue
9 to progress within the framework of our common herit-
10 age of democratic ideals, there is a compelling need for
11 the achievement of social and economic advance adequate
12 to meet the legitimate aspirations of the individual citi-
13 zens of the countries of Latin America for a better way
14 of life;

15 (5) there is a need for a plan of hemispheric devel-
16 opment, open to all American Republics which cooper-
17 ate in such plan, based upon a strong production effort,
18 the expansion of foreign trade, the creation and main-
19 tenance of internal financial stability, the growth of
20 free economic and social institutions, and the develop-
21 ment of economic cooperation, including all possible
22 steps to establish and maintain equitable rates of ex-
23 change and to bring about the progressive elimination
24 of trade barriers;

25 (6) mindful of the advantages which the United

States has enjoyed through the existence of a large domestic market with no internal trade barriers, and believing that similar advantages can accrue to all countries, it is the hope of the people of the United States that all American Republics will jointly exert sustained common efforts which will speedily achieve that economic cooperation in the Western Hemisphere which is essential for lasting peace and prosperity; and

(7) accordingly, it is declared to be the policy of the people of the United States to sustain and strengthen principles of individual liberty, free institutions, private enterprise, and genuine independence in the Western Hemisphere through cooperation with all American Republics which participate in a joint development program based upon self-help and mutual efforts.

(b) In order to carry forward the above policy, the Congress hereby—

(1) urges the President through our constitutional processes to develop cooperative programs on a bilateral or multilateral basis which will set forth specific plans of action designed to foster economic progress and improvements in the welfare and level of living of all the peoples of the American Republics on the basis of joint aid, mutual effort, and common sacrifice;

(2) proposes the development of workable proce-

1 dures to expand hemispheric trade and to moderate ex-
2 treme price fluctuations in commodities which are of ex-
3 ceptional importance in the economies of the American
4 Republics, and encourages the gradual development of
5 regional common markets among the American Re-
6 publics;

7 (3) supports the development of a more accurate
8 and sympathetic understanding among the peoples of
9 the American Republics through a greater interchange
10 of persons, ideas, techniques, and educational, scientific,
11 and cultural achievements;

12 (4) favors the progressive development of common
13 standards with respect to the rights and the responsibili-
14 ties of private investment which flows across national
15 boundaries within the Western Hemisphere;

16 (5) supports the consolidation of the public institu-
17 tions and agencies of inter-American cooperation, insofar
18 as feasible, within the structure of the Organization of
19 American States and the strengthening of the personnel
20 resources and authority of the Organization in order that
21 it may play a role of increasing importance in all aspects
22 of hemispheric cooperation; and

23 (6) declares that it is prepared to give careful and

1 sympathetic consideration to programs which the Presi-
2 dent may develop for the purpose of promoting these
3 policies.

4 AUTHORIZATION

5 SEC. 2. In order to carry out the purposes of section 2
6 of this Act, there is hereby authorized to be appropriated
7 to the Secretary of State not to exceed \$500,000,000, which
8 shall remain available until expended, and which the Secre-
9 tary may use, subject to such further legislative provisions
10 as may be enacted, in addition to other funds available for
11 such purposes, on such terms and conditions as he may
12 specify. The Secretary of State shall keep the Committee
13 on Foreign Relations of the Senate and the Committee on
14 Foreign Affairs of the House currently informed about plans
15 and programs for the utilization of such funds.

16 SPECIAL AUTHORIZATION FOR CHILEAN

17 RECONSTRUCTION

18 SEC. 3. There is hereby authorized to be appropriated
19 to the President not to exceed \$100,000,000, which shall
20 remain available until expended, for use, in addition to other
21 funds available for such purposes, in the reconstruction and
22 rehabilitation of Chile on such terms and conditions as the
23 President may specify.

1 MUTUAL SECURITY CONTINGENCY FUND

2 SEC. 4. (a) Section 451 (b) of the Mutual Security Act
3 of 1954, as amended, which relates to the President's special
4 authority and contingency fund, is amended by striking out
5 "\$150,000,000" in the first sentence and substituting
6 "\$250,000,000".

7 (b) Section 551 of the Mutual Security Act of 1954,
8 as amended, which relates to limitation on the use of the
9 President's special authority, is amended by inserting before
10 the period ": *Provided, however,* That the aforementioned
11 authority may be used during the fiscal year 1961 to finance
12 activities which normally would be financed from appropria-
13 tions made pursuant to sections 411 (b) and 411 (c) of this
14 Act".

86TH CONGRESS
2D SESSION

H. R. 13021

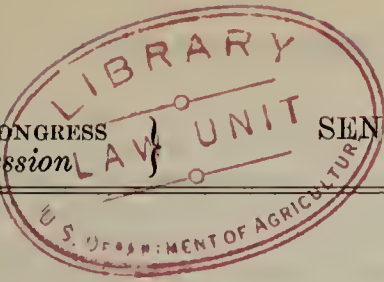
A BILL

To provide for assistance in the development of Latin America and in the reconstruction of Chile, and for other purposes.

By Mr. MORGAN

AUGUST 17, 1960

Referred to the Committee on Foreign Affairs



AMERICAN REPUBLICS COOPERATION ACT

AUGUST 17 (legislative day, AUGUST 11), 1960.—Ordered to be printed

Mr. FULBRIGHT, from the Committee on Foreign Relations, submitted the following

REPORT

[To accompany S. 3861]

The Committee on Foreign Relations has considered the following proposals designed to provide for assistance in the development of Latin America and in the reconstruction of Chile: Senate Resolution 353, submitted by Mr. Mansfield on August 8; S. 3839, introduced by Mr. Fulbright (by request) on August 12; and amendments thereto proposed by Mr. Capelhart on August 15. The committee reports a new bill in the nature of a substitute, which may be cited as the "American Republics Cooperation Act," and recommends that it be passed by the Senate.

1. PURPOSES OF THE BILL

S. 3861 proposes certain basic considerations underlying a new approach to the development of Latin America, and authorizes an appropriation of not to exceed \$500 million to be devoted toward creation of cooperative programs toward that end. The bill also contains a special authorization for not more than \$100 million to be appropriated to the President for use in assisting the reconstruction and rehabilitation of Chile.

2. BACKGROUND

The message from the President of the United States relative to the legislative program, transmitted to the Congress on August 8, 1960, contained a request for—

First, an authorization in the magnitude of \$600 million to help our Latin American neighbors accelerate their efforts to strengthen the social and economic structure of their nations and improve the status of their individual citizens. This program, which should include further assistance for the re-

habilitation of devastated Chile, will promote the dynamism and effectiveness of all our efforts in this hemisphere. I urgently request enactment of this authorization prior to the Economic Conference of the American Republics, which convenes at Bogotá on September 5, so that discussions leading to the development of detailed plans may be initiated there.

The basic fact at the heart of this initiative is the need for a rate of social progress in the American Republics which would more nearly approximate the general rate of population expansion and economic growth. Great expectations have been stimulated among the peoples of those countries by the heavy investments made in recent years and expected to be made in the future. However, their hopes generally have not been realized, and the vast majority of the Latin American people continue to exist under conditions of extreme poverty. The reasons for this situation are manifold and not easily understood: they include the low economic base from which the upward movement starts, the record growth of population, outmoded institutions in many areas, inadequate technical and overall education, and generally inequitable distribution of national income.

Naturally, there are great differences in conditions in various American Republics. But in almost all areas there are strong demands for immediate progress toward greater social progress and economic development. Continued frustration of such demands increasingly leads to acceptance of the temptations offered by demagogues and blind destructiveness.

These problems certainly have not been ignored by the Latin American countries in recent years, and the United States has offered its cooperation in many instances. Nevertheless, it now is abundantly clear that real headway cannot be made unless there is a concerted approach to social development comparable to the efforts expended in the purely economic field.

In this latter regard, the United States has not been backward in making capital and resources available to its friends in Latin America. Beyond direct private investment there of approximately \$9 billion, the U.S. Government has extended economic assistance to Latin America totaling about \$3.8 billion in the period between fiscal years 1946 and 1960. At the same time almost \$2.5 billion of the latter sum represents long-term, Export-Import Bank loans repayable in dollars. This fact has a bearing on the situation described above. Such loans are highly necessary and beneficial to the borrowing countries, but their effects are necessarily long-range and are not directly experienced or known by the common people. Our ICA, DLF, and Public Law 480 programs have a more immediate impact, and the new multilateral Inter-American Development Bank—scheduled to begin operations in October—will be making capital available on more flexible terms. However, these notable programs and institutions will not be sufficient to insure progress in Latin America unless comparable attention and effort are devoted to social development on the same multilateral, or hemispheric, basis.

3. CHARACTER OF THE PROPOSAL

The administration bill, S. 3839, proposed assistance to Chile and a cooperative program for Latin American development, as well as an increase in the President's contingency fund, all as amendments to the Mutual Security Act of 1954, as amended. With regard to the program for Latin America, the bill briefly stated a declaration of purpose and gave no further information. The Committee on Foreign Relations was told that the administration wished to be in a position to send representatives to the meeting at Bogotá with an authorization for \$500 million to be presented as evidence of the U.S. desire to participate in a cooperative program. However, in order that the American Republics would take maximum responsibility for their own affairs, and in order that the program should be developed cooperatively rather than unilaterally, the administration did not wish at this time to present any concrete plans. The following statement by Under Secretary of State C. Douglas Dillon is quoted in full as containing the essence of the administration's proposal.

What we would like to say to our Latin American friends, and for which we need the support of the Congress, is roughly as follows:

"We recognize that if the peoples of Latin America are to attain the goal of higher material and cultural standards for which you are all striving, and which are eloquently set forth in Operation Pan America, social development and economic development must go hand in hand. Many of your progressive leaders have impressed on us the need for social overhead capital and have told us of the good uses to which they could and would put it. To the extent that you yourselves are willing to move ahead progressively in this field, we would like to work with you and assist you. This must, of course, be a cooperative effort and cooperation is a two-way street. But with your determination to address the problems and tasks at hand constructively, we know that the job can be done.

"Because of the magnitude of the need, we believe our initial contribution to this cooperative enterprise should be not less than \$500 million. We recognize that additional amounts will be required as progress is made.

"We envisage these sums being used as rapidly as effective projects or programs can be developed. We have in mind assistance in such fields as land settlement and land utilization, housing, vocational, technical, and scientific training and basic public facilities such as potable water systems and sewage systems.

"Since you must finance your external needs for economic and industrial development primarily by borrowing, and since many of you have difficulties in servicing outstanding foreign exchange loans, we envisage our contribution to programs for social development as being available in the form of loans on favorable terms including repayment in local currencies. Where it is appropriate and necessary our contribution may be made on a grant basis."

Mr. Dillon also explained that appropriations would not be requested until concrete programs had been formulated, and that existing institutions—notably the Inter-American Bank—would probably be used to channel the funds later made available.

With regard to the request for an authorization of \$100 million for Chilean reconstruction, it was explained that the total cost to Chile in repairing damage resulting from the recent earthquakes would be about \$450 million and would be largely met by that country itself. However, Chile cannot bear the entire cost without outside help. The United States has already extended substantial emergency assistance (about \$35 million in grants and credit), and is actively considering a Chilean request for a loan of \$150 million. But it appears certain that additional resources of at least \$100 million will be needed if Chile is to rebuild and concurrently maintain its economic stabilization program. While an appropriation is not currently sought, it is believed that an authorization would suffice to reassure Chile that the United States can be relied upon for friendly assistance.

4. COMMITTEE ACTION

The Committee on Foreign Relations on August 15 held public hearings on the requests contained in S. 3839, and on the related considerations contained in Senate Resolution 353. Under Secretary of State C. Douglas Dillon and Assistant Secretary of the Treasury T. Graydon Upton testified on behalf of the administration.

Also at that time, Senator Homer E. Capehart, of Indiana, presented to the committee and explained his amendments to S. 3839. As was the case with the other members of the committee, Senator Capehart was much disturbed over the highly amorphous nature of the administration proposal to assist Latin American development. Therefore, as an amendment to that proposal, he introduced a bill to be entitled "The Americas Cooperative Bank Act." The Capehart proposal authorized the Secretary of State to conclude agreements with all interested American Republics for the establishment of cooperative banks under the laws of such Republics. The stock would be purchased in agreed proportions by the respective country and the U.S. Export-Import Bank, with the proviso that the latter's interest could be bought out at any time. The banks would have great flexibility in their operations and, specifically, would be able to loan directly to the common people in Latin America.

On August 16 the committee in executive session considered the various proposals before it, and composed a separate new bill by combining some of the best elements of S. 3839, the Capehart amendments, and the Mansfield resolution. The committee was greatly interested in the Capehart proposal for cooperative banks. It nevertheless believed that it must honor the administration request to be permitted the latitude to refrain from detailed planning until actually in touch with representatives of the other American Republics at Bogotá; it also believed that the time was not available for the mature scrutiny to which such a proposal was entitled. However, the committee urges the administration to give the most serious and sympathetic consideration to the Capehart proposal in connection with its multilateral development of new plans and programs.

The committee bill, entitled "American Republics Cooperation Act," authorizes appropriation of \$100 million to the President for Chilean reconstruction, and \$500 million to the Secretary of State to carry out a program for development in Latin America. The bill was ordered reported by a vote of 15 to 0.

5. CONCLUSION

Despite its unanimous vote in favor of this bill, the Committee on Foreign Relations considers that the administration has made a most unusual request, to which the committee accedes reluctantly and only because of the urgency and importance of the issue at stake. The committee understands the motives involved in the administration's reluctance to present a unilateral program to our Latin American friends, and in its wish to give an earnest of U.S. legislative-executive solidarity in promoting the cause of hemispheric cooperation. On the other hand, most committee members were inclined to believe that a "sense" resolution would have served that latter purpose equally as well without the drawbacks of an authorization request in the absence of a definitive program.

However, the committee approves this bill with the administration's assurance that an appropriation will not be sought for Latin American development until firm programs are developed. The committee is assured that it will have opportunities in the next Congress to provide further legislative guidance in connection with the authorization and that it will be kept closely informed about future developments.

Under these circumstances, and because of the vitally important requirement for close cooperation and friendship in the Western Hemisphere, the committee urges the Senate to approve S. 3861.





Calendar No. 1910

86TH CONGRESS
2D SESSION

S. 3861

[Report No. 1838]

IN THE SENATE OF THE UNITED STATES

AUGUST 17 (legislative day, AUGUST 11), 1960

Mr. FULBRIGHT, from the Committee on Foreign Relations, reported the following bill; which was read twice and ordered to be placed on the calendar

A BILL

To provide for assistance in the development of Latin America and in the reconstruction of Chile, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That this Act may be cited as the "American Republics
4 Cooperation Act."

5 SEC. 2. STATEMENT OF POLICY.—(a) It is the sense
6 of the Congress that:

7 (1) The historic, economic, political, and geographic
8 relationships among the American Republics are unique and
9 of special significance and, as appropriate, should be so
10 recognized in future legislation.

11 (2) Although governmental forms differ among the

1 American Republics, the peoples of all the Americas are ded-
2 icated to the creation and maintenance of governments which
3 will promote individual freedom.

4 (3) The interests of the American Republics are so in-
5 terrelated that sound social and economic progress in each is
6 of importance to all and that lack of it in any American Re-
7 public may have serious repercussions in others.

8 (4) For the peoples of Latin America to continue to
9 progress within the framework of our common heritage of
10 democratic ideals, there is a compelling need for the achieve-
11 ment of social and economic advance adequate to meet the
12 legitimate aspirations of the individual citizens of the coun-
13 tries of Latin America for a better way of life.

14 (5) There is a need for a plan of hemispheric develop-
15 ment, open to all American Republics which cooperate in
16 such plan, based upon a strong production effort, the expan-
17 sion of foreign trade, the creation and maintenance of internal
18 financial stability, the growth of free economic and social
19 institutions, and the development of economic cooperation,
20 including all possible steps to establish and maintain equitable
21 rates of exchange and to bring about the progressive elimina-
22 tion of trade barriers.

23 (6) Mindful of the advantages which the United States
24 has enjoyed through the existence of a large domestic market
25 with no internal trade barriers, and believing that similar

1 advantages can accrue to all countries, it is the hope of the
2 people of the United States that all American Republics will
3 jointly exert sustained common efforts which will speedily
4 achieve that economic cooperation in the Western Hemis-
5 phere which is essential for lasting peace and prosperity.

6 (7) Accordingly, it is declared to be the policy of the
7 people of the United States to sustain and strengthen prin-
8 ciples of individual liberty, free institutions, private enter-
9 prise, and genuine independence in the Western Hemisphere
10 through cooperation with all American Republics which par-
11 ticipate in a joint development program based upon self-help
12 and mutual efforts.

13 (b) In order to carry forward the above policy, the Con-
14 gress hereby:

15 (1) Urges the President through our constitutional
16 processes to develop cooperative programs on a bilateral
17 or multilateral basis which will set forth specific plans of
18 action designed to foster economic progress and improve-
19 ments in the welfare and level of living of all the peoples
20 of the American Republics on the basis of joint aid,
21 mutual effort, and common sacrifice.

22 (2) Proposes the development of workable pro-
23 cedures to expand hemispheric trade and to moderate
24 extreme price fluctuations in commodities which are of
25 exceptional importance in the economies of the American

1 Republics, and encourages the gradual development of
2 regional common markets among the American Re-
3 publics.

4 (3) Supports the development of a more accurate
5 and sympathetic understanding among the peoples of
6 the American Republics through a greater interchange
7 of persons, ideas, techniques, and educational, scientific,
8 and cultural achievements.

9 (4) Favors the progressive development of com-
10 mon standards with respect to the rights and the respon-
11 sibilities of private investment which flows across na-
12 tional boundaries within the Western Hemisphere.

13 (5) Supports the consolidation of the public insti-
14 tutions and agencies of inter-American cooperation, in-
15 sofar as feasible, within the structure of the Organization
16 of American States and the strengthening of the per-
17 sonnel resources and authority of the Organization in
18 order that it may play a role of increasing importance
19 in all aspects of hemispheric cooperation.

20 (6) Declares that it is prepared to give careful and
21 sympathetic consideration to programs which the Presi-
22 dent may develop for the purpose of promoting these
23 policies.

24 SEC. 3. AUTHORIZATION.—In order to carry out the
25 purposes of section 2 of this Act, there is hereby authorized

1 to be appropriated to the Secretary of State not to exceed
2 \$500,000,000, which shall remain available until expended,
3 and which the Secretary may use, subject to such further
4 legislative provisions as may be enacted, in addition to other
5 funds available for such purposes, on such terms and condi-
6 tions as he may specify. The Secretary of State shall keep
7 the Committee on Foreign Relations of the Senate and the
8 Committee on Foreign Affairs of the House currently in-
9 formed about plans and programs for the utilization of such
10 funds.

11 SEC. 4. SPECIAL AUTHORIZATION FOR CHILEAN RE-
12 CONSTRUCTION.—There is hereby authorized to be appro-
13 priated to the President not to exceed \$100,000,000, which
14 shall remain available until expended, for use, in addition to
15 other funds available for such purposes, in the reconstruc-
16 tion and rehabilitation of Chile on such terms and condi-
17 tions as the President may specify.

86TH CONGRESS
2d Session

S. 3861

[Report No. 1838]

A BILL

To provide for assistance in the development of
Latin America and in the reconstruction of
Chile, and for other purposes.

By Mr. FULBRIGHT

AUGUST 17 (legislative day, AUGUST 11), 1960

Read twice and ordered to be placed on the calendar

him to lead this Nation across the new frontiers of which he has so nobly spoken.

This bill is good for America. It is good for the working people of America. It is good for the economy of America. It is good for the conscience of America. I urge its passage; and I congratulate those who have fought for it in committee and on the floor of the Senate.

Mr. JOHNSON of Texas. Mr. President, has the Senator from Connecticut concluded his remarks?

Mr. DODD. I have; and I thank the majority leader for yielding this much time to me.

LATIN AMERICA

Mr. SMATHERS. Mr. President, will the Senator from Texas yield some time to me?

Mr. JOHNSON of Texas. I yield 15 minutes to the Senator from Florida.

The PRESIDING OFFICER. The Senator from Florida is recognized for 15 minutes.

Mr. SMATHERS. Mr. President, as might be expected, I am of course wholly in accord with the objectives of the President's new program for Latin America.

I have until now, however, withheld my comments on the program, awaiting some more precise definition and description of the means to be employed.

I now find, following the joint appearance before the Senate Foreign Relations Committee, on Monday, of Under Secretary of State Dillon and Assistant Secretary of the Treasury, T. Graydon Upton, that the program of the administration has a rather familiar ring to it.

It ought to. During the last half-dozen years I have myself proposed the major part of it.

Unfortunately, in nearly every case, my proposals were received by this administration either with a yawn or with open hostility. Although against this opposition, I nonetheless had a measure of legislative success with my proposals, sad to say, in nearly every instance my programs fell into unfriendly hands and were quickly put on ice.

The administration has shown little willingness to fight for appropriations to put these programs into effect. Indeed, it has resisted them openly or quietly or simply ignored them. Now an attempt is being made to identify the administration's proposals with "Operation Pan America," first suggested by President Juscelino Kubitschek, of Brazil. Yet it is clear that, although it never directly turned down Mr. Kubitschek, the administration was more than cool to this plan when originally proposed.

These charges are extremely serious in nature. I feel obliged, therefore, to offer the following documentation, not for the sake of saying "I told you so," but because a full recitation of the background is required if we are to deal in the proper context with the President's program.

For a number of years, I have been arguing that our failure to attend closely to the needs and interests of the 20 Latin American Republics was bringing about an everwidening gap between us.

In a speech delivered on the floor of the Senate in May of 1954, I stated:

Our attitude toward our sister republics in this hemisphere is a striking example of our shortsightedness in our present foreign policy. So preoccupied are we with problems in Europe and Asia that we often forget how vital are our relations with our neighbors to the south. The pattern of events in Indochina and our belated response to them may well serve as a warning in our relations with Latin America. Mr. President, are we repeating that failure in Latin America?

Sad to say, the answer was yes. My words went unheeded.

Later, in the same speech, I commented as follows on the urgent need to give serious consideration to Latin America's pressing economic problems:

I am hopeful that at the forthcoming Inter-American Economic Conference in Rio de Janeiro a plan will be developed that will guarantee the Latin American nations steady markets for their raw materials so that they can with some certainty lay out economic development projects.

Again my words were unheeded and nothing was done.

Mr. JOHNSON of Texas. Mr. President, will the Senator from Florida yield?

Mr. SMATHERS. I am happy to yield to the able majority leader.

Mr. JOHNSON of Texas. I wish to commend the very able junior Senator from Florida for his enlightened and constructive attitude toward our good neighbors in this hemisphere, which he has maintained ever since he came to the Congress. I know of no man who has expressed more interest or who has dedicated more of his time or who has performed more like a statesman in the field of our relationships with other nations than has the distinguished junior Senator from Florida. For years he has been telling us—as a matter of fact, for 7 years and 7 months during this administration—what the administration has finally come to accept in the twilight period of this administration and the last few days of this Congress. Those who have sought to awaken our people to the dangers that confront us when we neglect our friends and chase after our enemies should express, and do, indeed, owe, a great debt of gratitude to the Senator from Florida [Mr. SMATHERS]. So, Mr. President, on behalf of myself and the people for whom I speak, I want to express it publicly.

If we were not now operating under a time limitation, I would go into some of the details of the President's recommendations, and would point out that those very recommendations have been made time and time and time again, not by the President, but by the junior Senator from Florida [Mr. SMATHERS], who anticipated the situation and realized what was taking place and attempted to cope with it before it was too late.

So I commend him for his determined and dedicated interest in this field.

Mr. SMATHERS. Mr. President, let me very genuinely thank the majority leader for his warm expression. I must say that I do not know that I would have continued those speeches, which always went unheeded, if it had not been for the friendly encouragement of our

very great majority leader, the senior Senator from Texas, who, himself, has long had an interest in this area, particularly in better relationships with the great country of Mexico.

It was in some measure his encouragement which kept me talking. I regret, as he does, and I am sure all of us do, that our warnings to the administration and our country, that neglect of Latin America would result in distrust, recriminations, and chaos, have now proven, unfortunately, true. Now the administration, in the last hours of this Congress, has come forth with a program in which, for all practical purposes, I believe there is not a single recommendation that I have not specifically made over the course of the last 5 or 6 years, urging the Congress and the administration to undertake such programs before it was too late.

Mr. JOHNSON of Texas. Mr. President, will the Senator yield further?

Mr. SMATHERS. I yield.

Mr. JOHNSON of Texas. I understand the Administration does not ask for any funds to implement the program and does not anticipate it will be necessary to have any appropriations. They have now asked for an authorization. Although I observed in the morning paper one of our most distinguished journalists says the more crises we get into, the more some candidates benefit, I renounce that doctrine, because I think there is a time when we must all be Americans first. I am much pleased that the Foreign Relations Committee, in its wisdom, by a unanimous vote, has agreed to report and to have placed on the calendar for action in this session, we hope, the substance of the President's recommendation. The Under Secretary of State yesterday told me how pleased he was at the action of this group, which is made up of members of both parties, because certainly politics must stop at the water's edge.

Mr. President, because of the generosity of the Senator from Florida in yielding to me, I will yield him 5 minutes.

Mr. SMATHERS. I thank the Senator.

I think the downtown administration has completely failed in Latin America. In all fairness, no indictment can be leveled at some of the Senators on the other side of the aisle, specifically, the Senator from Indiana [Mr. CAPEHART], the Senator from Vermont [Mr. AIKEN], and several other members of the Foreign Relations Committee who, from time to time, themselves urged the Secretary of State and the President to take more affirmative action in this area before it was too late. Nothing had been done until just the other day.

Again, on January 11, 1955, I urged development of a realistic program of inter-American cooperation. I said:

Latin America today is beset with gigantic economic problems which must be met and solved if this hemisphere is to remain secure. We must help solve their problems or be prepared to suffer the consequences.

This advice, too, was unheeded.

In 1956, the State Department was, as usual, preoccupied with developments in crises areas elsewhere on the globe.

Once more I attempted to alert the administration to the growing need for decisive action in Latin America. On June 7, 1956, I said:

By allowing conditions in Latin America to worsen through neglect, one day we may find ourselves running southward to patch up the ruins of an explosion. A little more judicious assistance while there is yet time could perhaps save us billions of dollars at a later date; or, as the [Eric] Johnston report put it, "clearly we cannot afford to sit and wait."

But again my words were unheeded.

Three weeks later I tried once more, saying:

As I have indicated in the past, I am concerned about the trend of relations with Latin America. On every proper occasion the administration has indicated the importance of maintaining and strengthening our ties with the other American Republics. What worries me is the wide gulf between declared intentions and action. It is essential that we take decisive steps toward working out with the other American Republics a courageous, imaginative solution to their economic dilemma.

Once again these words and their warning went unheeded.

On May 2, 1957, I said to the Senate:

It is a highly precarious gamble to take international friendships for granted, as we seem wont to do with our neighbors. If, at the moment we are inclined to feel a degree of satisfaction with the good will and friendship existing between the Latin America Republics and our country, it would be foolhardy to believe that this state of affairs can continue under any and all circumstances. Under the circumstances—turbulence in the region, Communist activities there, and our cast stake in the political and economic progress of the area—it is difficult for me to comprehend why the administration left the key post of Assistant Secretary of State for Inter-American Affairs vacant since the resignation of Henry Holland on August 31, 1956.

Once again that call for urgency was not heard.

On February 17, 1958, I again warned:

Today Latin America is seething with political, economic, and social unrest. Because of Latin America's importance to us from the standpoint of trade, strategy, and raw materials, it is essential that we assist it in solving its problems. It is in our own enlightened self-interest that we do so. If we fail to assume this responsibility, we must be prepared to suffer the consequences. Obviously, if the Communists are allowed to infiltrate in this area while we sit and watch, then our security will be seriously endangered. It is self-defeating for the United States to be exerting itself economically and financially toward other more distant areas of the world if at the same time we do not render the type of assistance needed and asked for by our own neighbors in our own hemisphere. We cannot say that we need not help Latin America because Europe, the Middle East, and the Far East are the immediate danger areas in the cold war. The fact is that any Soviet penetration in Latin America could do us incalculable harm.

Another warning went unheeded.

On May 14, 1958, again I said:

The United States can certainly not be held accountable for many of the variety of ills—economic, political, and social—which beset the Latin American nations. But we do owe a leadership to those who seek us to be their leader. We must offer effective

assistance to halt Communist encroachment into the free world. It must of necessity be a program of vision and positive action bold and courageously carried out.

Once again there was no response to that warning.

I urged the administration to adopt a four-point program, including the creation of a long-range trade policy between the United States and Latin America, assurance that Latin America would receive its proportionate share from the Development Loan Fund, restoration of a Latin American special economic assistance fund to promote health, education, and sanitation projects, and institution of an adequate and effective student exchange program.

These proposals went unheeded.

On June 25, 1958, in Miami, I called for creation of a Latin American regional bank and warned that "we must help Latin America to develop a native strength of its own, the sort of strength that allows the people of Britain and Canada and the United States to listen and laugh at the divisive nonsense broadcast by the Communists."

I am happy to be able to say that the Inter-American Bank proposal was accepted at long last by the administration, and the Bank will begin operation shortly.

Continually during 1959, as the Cuban crisis began to take shape, I warned that the failure to pay close attention to the needs of Latin America would lead to the multiplication of discontent and would build for us a crisis in Latin America unlike anything we had known before.

I warned the State Department to go slow on Castro, and for that I was abused by them and by the press. On my return from a 10-nation tour of South America and the Caribbean earlier this year, I warned again of the dangers and recommended a program encompassing 17 points in the area of trade and general foreign policy to repair the damage which had been done.

These same 17 points were reiterated in the 55-page report which I made to the Senate Interstate and Foreign Commerce Committee under date of April 7, 1960.

The record is not alone one of prophecies unheeded and recommendations ignored. There were programs enacted which the administration failed to use to sufficient advantage.

In 1956, in 1957, and in 1960 the Congress acted favorably on bills which I introduced to assert the interest of the United States in promoting the economic and social welfare of the underdeveloped areas of Latin America, the very heart of the present proposal.

During the 2d session of the 84th Congress, I sponsored an amendment to the foreign aid appropriation bill to set aside \$15 million for regional projects to promote health, education, sanitation, and land resettlement. It was passed. It worked, and was greatly appreciated.

In the 1st session of the 85th Congress I sponsored an amendment which was adopted by the Senate to provide on a loan basis a \$25 million authorization for essentially the same purposes.

Some extremely useful projects were undertaken as a result of these efforts, but no sooner was the first year's work done than the administration argued persuasively that such work should more properly be done through the instrumentality of the Development Loan Fund. In effect, the Smathers' amendment program, as such, ceased to be. But as a matter of fact, since the Development Loan Fund did little or nothing to further its objectives, the program itself ceased to be.

The fact of the matter is that the program was "scuttled" by the administration and has not been reenacted to date. Despite that, the Secretary now comes before the Committee on Foreign Relations to say, "This is the kind of program we now should have." We had it once, and they took it away from us.

The Development Loan Fund at that time was so narrowly preoccupied with economic development that it did not regard its mission as including the promotion of the balanced economic, political, and social development which is needed.

Earlier this year the Senator from Oregon [Mr. MORSE] and I were successful in getting an amendment adopted to support housing programs in Latin America through the encouragement of savings and loan type institutions under existing moneys available to the Development Loan Fund.

Until the very eve of the President's announcement on July 11 in Newport of a "new" program for Latin America, the Development Loan Fund had shown little disposition to accept the clear mandate of Congress to become active in the savings and loan and housing fields.

I believe every Member of the Congress voted for that particular proposal. The Development Loan Fund refused to act on the recommendation of the Congress.

The chairman of the Foreign Relations Committee was not in the least extravagant when he characterized the administration's "new" program as a kind of "deathbed confession." It is not merely a confession but a conversion done, I fear, with bad grace and near fatal timing.

I cannot, of course, criticize the objectives of the President's program. They are my own objectives. In the end, I must say, therefore, that I will support the administration's request.

But I would not have it thought in Latin America that the administration's timing is the timing of any of those who have criticized the administration for its laggard and fumbling Latin American policy.

We must be harsh with ourselves. We must recognize that all over Latin America this "new" program may appear to be a kind of last-ditch effort to purchase the friendship of those whom we have so long ignored. In the eyes of many Latins, it is not their need which moves us now but our own need to patch up the situation in the Caribbean.

For this reason, it should be said here and now that this program is not the administration's program. It is the program of the administration's critics. And, so it may be clear that I am not

seeking to secure advantage for my own party's cause, let me add that the critics whose policy is now being adopted by the administration include such distinguished Republicans as Governor Rockefeller of New York, the Senator from Vermont [Mr. AIKEN], the Senator from Indiana [Mr. CAPEHART], and I believe in many instances the able Senator from Iowa [Mr. HICKENLOOPER].

I think I may speak for all the critics in saying that we welcome the administration's conversion, however late it comes.

Nonetheless, I must warn the Senate and the country at large that \$500 million or even \$500 billion will purchase no friends for us in Latin America.

The Latins are a proud people, with a tradition as long and as distinguished as our own. They do not seek charity of us, and we should not demean them by appearing to give it.

We will fail if we write out a blank check for an amount, no matter how large, and make as if to drop it into a beggar's hat. Rather, we must take the path of hemispheric cooperation, a path which draws essentially upon the experience and the success of the Marshall plan during the immediate postwar period.

We can repair the breach which now exists between the United States and the people of Latin America—if not their leaders—only if we admit, candidly, the mistakes of our former course.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. SMATHERS. Mr. President, I ask unanimous consent that I may be permitted to proceed for an additional 4 minutes without the time being charged to either side.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Florida? The Chair hears none, and it is so ordered.

Mr. SMATHERS. Mr. President, it must be clear that we are now prepared as a government to act with vigor and dispatch in support of a cooperative hemispheric effort to improve the economic and social position of all the member countries of the Organization of American States.

Accordingly, I believe it to be essential that the Congress indicate its general support, in whatever form the Foreign Relations Committee may deem appropriate, for "assistance in such fields as land settlement and land utilization, housing, vocational, technical, and scientific training, and basic public facilities such as potable water systems and sewage systems."

These were the means mentioned before the committee Monday by Under Secretary Dillon. They should have the support of all Members of the Senate.

The exact details of the program should be worked out by means of cooperative consultation of the peoples of the hemisphere through their governments.

So that, in addition, it may be clear this program will be carried forward by whichever administration succeeds to the reins of government in January, I

respectfully urge the nominees of the two major parties to bury their political differences long enough to agree upon a joint statement of support for the ideal of hemispheric economic, social, and political development.

I would hope that the candidates could also agree to designate, each on his own behalf, a person or group of persons to represent him informally as unofficial observers at the OAS economic conference in Bogotá beginning September 5.

Finally, I would hope that the Congress can agree to send a delegation from both parties and both Houses to attend the Bogotá conference and to report back to their respective bodies in January.

We cannot afford to permit the requirements of our political system to paralyze effective performance in the realm of foreign affairs.

I regard the dangers in Latin America as among the most serious we have faced anywhere in the world in the postwar era. If we fail to take united and effective action between now and the 20th of January, the incoming administration, Democratic or Republican, may find itself with a crisis situation, already irreparable. Even if we act now with bipartisan resolve, we cannot count on recovering the easy relationship of the good neighbor era, certainly not overnight.

It will take years to restore the reputation of the United States as a nation which cares. However, we cannot begin unless we begin—and the sooner the better.

Mr. LAUSCHE. Mr. President, will the Senator yield for a question?

Mr. SMATHERS. I am happy to yield to the able Senator from Ohio.

Mr. LAUSCHE. Without intending to take exception to the statement made by the Senator from Florida about the need for providing increased help for economic development in the South American countries, I should like to query the Senator as to whether there are some facts lacking in his presentation. The Senator has said that we have done nothing for these people of South America. Is it not a fact that through the World Bank and also through the Export-Import Bank much money has been loaned, and through the operations of Public Law 480 much aid has been given?

Mr. SMATHERS. The Senator is correct.

Mr. LAUSCHE. I am not saying that it is adequate, but there have been loans made in huge amounts to the South American countries.

Mr. SMATHERS. The Senator is correct in his assumption. However, the loans which have been made from the Development Loan Fund and the World Bank and other funds are not effective in the fields in which the administration now proposes to act. Otherwise there would be no need for such a "new" program.

I did not say that nothing has been done. Something has been done, but not enough and, where we have acted, we have even so failed to give the people of

Latin America the recognition that we should have given them.

The PRESIDING OFFICER. The time of the Senator from Florida has expired.

Mr. LAUSCHE. Mr. President, may I ask unanimous consent that we may have 3 more minutes to pursue this thought?

The PRESIDING OFFICER. Is there objection?

Mr. HOLLAND. Does the Senator mean that the time is to be charged to neither side?

Mr. LAUSCHE. To neither side. That is correct.

Mr. MANSFIELD. I yield 3 minutes from this side, since a time certain is set.

Mr. LAUSCHE. Does the junior Senator from Florida [Mr. SMATHERS] agree with me that it is wrong for our country to have delivered to the South American people, who number 135 million, the message that we have done nothing, when in fact under Public Law 480, under the World Bank and under the Export-Import Bank, even recognizing the limitations in the program, we have done much, although perhaps not enough?

Mr. SMATHERS. The Senator is correct in that assertion. We have made the facilities of governmental agencies available to those countries, just as we have made them available to every other country in the world—countries in Asia, Europe, the Middle East, and so on.

The Senator is correct. My point, however, is that for 10 or 12 years I have urged that we initiate a comprehensive program to eliminate the conditions which enable the Communists to come in and turn the people of these countries against us.

It is that program and those warnings which have gone unheeded.

In the closing days of this administration, administration officials come to us and say, "Now let us have this big program," when it is almost too late to repair the damage which has resulted from the neglect of 7 years and 7 months.

Mr. LAUSCHE subsequently said: Mr. President, this morning I engaged with the junior Senator from Florida [Mr. SMATHERS] in debate about the volume of aid given to the nations of Latin America. Some question in regard to the exact facts arose.

Since that time, I have procured a tabulation in regard to the aid given to the countries of Latin America through the mutual security program, the Export-Import Bank, and other agencies. I wish to have that tabulation printed at this point in the RECORD. The tabulation shows that from 1947 we have provided aggregate aid in the amount of \$3,791 million, or in the amount of approximately \$300 million a year, in the form of loans under Public Law 480 and otherwise. In addition to the above the net loan commitments by the World Bank since its beginning, total slightly over \$1 billion in Latin America.

I ask that this tabulation be printed in the RECORD immediately following my debate with the Senator from Florida.

There being no objection, the tabulation was ordered to be printed in the RECORD, as follows:

U.S. economic aid to Latin America, fiscal years 1946-60—Obligations and other commitments

[Millions of dollars]

	Fiscal years 1946-59	Fiscal year 1960 ¹	Fiscal years 1946-60
Mutual security program, total.....	464.2	99.6	563.8
International Cooperation Administration ²	377.6	67.2	444.8
Technical Cooperation.....	203.7	36.1	239.8
Other.....	174.0	31.2	205.2
Development Loan Fund.....	65.8	28.6	94.4
Other MSP economic.....	20.8	3.8	24.6
Nonmutual security program, total.....	3,061.1	166.6	3,227.7
Public Law 480, total.....	417.0	50.0	467.0
Title I: Planned Country Use ³	277.5	38.0	315.5
(Sales agreements).....	(392.9)	(77.5)	(470.4)
Title II: Emergency Relief.....	39.0		39.0
Title III: Voluntary Relief Agencies.....	100.5	12.0	112.5
Export-Import Bank long-term loans.....	2,339.0	116.6	2,455.6
Other U.S. economic programs.....	305.1	(4)	305.1
Grand total, economic grams.....	3,525.3	266.2	3,791.5

¹ Preliminary.

² Excludes worldwide malaria eradication.

³ All planned for sec. 104(g). Loans for economic development.

⁴ Expenditure for Latin American highways not available; estimated at about \$4 million.

NOTE.—Details may not add to totals due to rounding.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. SMATHERS. I am happy to yield to the Senator from Montana, who himself knows a great deal about this particular area of the world.

Mr. MANSFIELD. The junior Senator from Florida flatters me too much, because compared to what he knows on the basis of personal surveys all over the hemisphere and his first-hand knowledge, I am still a neophyte.

I think the junior Senator from Florida will be pleased with the consideration given by the Foreign Relations Committee to the proposal of this administration, late though it is, with respect to the very things that I assume he has in mind—ways and means of getting to the people of Latin America so that they can be helped, and ways and means of coming forth with specific proposals, with which the nations of the Americas can work together cooperatively to the end that the difficulties which are inherent and real can be met before it is too late.

I know that the Senator will pay close attention to the legislation which will be before the Senate shortly. I think he will find that that proposal, which seeks to give an authorization of \$500 million for general hemispheric cooperation in economic affairs, and an additional, noteworthy, and necessary \$100 million for rehabilitation relief to Chile will meet many of the objectives which he perhaps more than any other Member of this body has been advocating, over a long

period of time, in an effort to bring about an alleviation of conditions in the Western Hemisphere.

Mr. SMATHERS. I thank the able Senator from Montana. As I said earlier before he came to the floor, I certainly will support the recommendation to the Senate by the Foreign Relations Committee with respect to those objectives. I have congratulated them for making the proposals, even though belatedly. Certainly I would support them, because every recommendation now made by the Secretary of State for this area was a recommendation that had been made over the past 10 years by the junior Senator from Florida in the Senate. So naturally I must be for it. I hope it will do a great deal of good, and I thank the Senator from Montana.

I yield the floor.

PROBLEMS OF THE SOVIET UNION

Mr. HUMPHREY. Mr. President—The PRESIDING OFFICER. Does the majority leader yield to the Senator from Minnesota?

Mr. CLARK. I am happy to yield to my friend from Minnesota 15 minutes for a nongermane, but I am sure brilliant, address in connection with the unanimous-consent agreement.

Mr. HUMPHREY. I thank the Senator from Pennsylvania.

I trust my remarks will be worthy of the attention of my colleague from Pennsylvania and of my other colleagues.

It is somewhat reassuring, in these days when one crisis after another in the Western World erupts into the headlines, to know that the Communist bloc is not without its grave problems.

Reports in this morning's papers indicate dramatically mounting tensions between the Soviet Union and Red China. A story in this morning's Washington Post says the following:

The Soviet Union, in an unprecedentedly pointed move against its Communist Chinese ally, has within the past 2 weeks halted publication and distribution inside Russia of both a Peking weekly and a monthly magazine.

This according to reliable information reaching here, is the latest in a momentous train of events that, in Washington's view, has brought the downward spiral of Peking-Moscow relations to the most significant low in postwar history.

A UPI report in yesterday's Washington Post, quoting Yugoslav and French sources, said:

Relations between the Soviet Union and Communist China have deteriorated to such a point that Soviet technicians and advisers are leaving China by the trainload.

These are not just idle rumors, Mr. President. The Yugoslavs gave too many details for the incident to be dismissed. Further, it is significant that the strict Chinese censorship allowed these reports to leave Peking.

There is speculation that the withdrawal has been quite sudden and unexpected and that there is a strong link between the departure of the Russian technicians and of the present Chinese campaign to increase productivity by

putting high-ranking officials and bureaucrats to work in the factories and mines part-time.

All of this reminds me, Mr. President, of a statement that Napoleon Bonaparte once made: "Let China sleep. When she awakes, the world will be sorry."

The news item I have just referred to indicates that not only is the western world sorry about the burgeoning menace of Red China, but, in all likelihood, the Soviet Union itself is sorry. And perhaps sorry is too mild a word.

It would be wrong to underestimate the strength of the Sino-Soviet alliance, but, nevertheless, deep-seated frictions have developed in the last few years, and it is a fair assumption that those cleavages will increase rather than lessen. It might be fruitful to examine some of the divergences between the two great Communist powers:

There are three general, but interdependent, sources of tension: First, population pressure; second, prestige rivalry; and, third, policy disagreements. I shall consider them one by one.

One, population. It is estimated that by 1975, Red China will have approximately 1 billion human beings. Although parts of western China are still sparsely populated, by 1975 there are going to be grave population pressures. It is no secret that Soviet officials develop a nervous twitch every time they look at that 3,500-mile border between the Soviet Union and China.

It is a reasonable assumption that one of the main reasons that Premier Khrushchev has begun his settle-the-virgin land policy is that he wants to greatly accelerate the population growth near the border.

I recall that during my visit with the Premier of the Soviet Union, speaking about the number of people that were going into the so-called virgin lands of the Siberian area or the Asian section of the Soviet Union, he said to me something to the effect that when people live in a place, they defend it. I could not help but ponder the question: Against whom they would defend it? The only nation that presses on that border, which is 3,500 miles long, is Red China, and many of my colleagues have not given adequate attention to the large establishment of military forces on the part of the Soviet Union to be found in that part of the Soviet Union which is in the Asian mainland. There is good reason to believe that the leaders of the Kremlin do not accept in full faith the assurances of leaders of Communist China as to peaceful coexistence.

It has been estimated that the Chinese population increases between 15 and 25 million a year, as compared to the 3 or 4 million annual increase in the Soviet Union which now has 200 million. The men in the Kremlin are not unmindful of those statistics.

PRESTIGE RIVALRY

The Communist empire used to have one center—Moscow. Now, it clearly has two centers—Moscow and Peking. Moscow cannot be happy that its former

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF
BUDGET AND FINANCE

(For Department
Staff Only)

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HIGHLIGHTS: Senate passed bill to increase price support level for milk and butterfat. Senate committee reported mutual security appropriation bill.

SENATE - August 19

1. MILK PRICE SUPPORTS. Passed as reported S. 2917, to increase the price-support level for manufacturing milk and butterfat for the remainder of the current marketing year, from the date of enactment of the bill until Mar. 31, 1961, to not less than \$3.22 per hundredweight for manufacturing milk and not less than 59.6 cents per pound for butterfat. pp. 15594-601

2. FOREIGN AID; APPROPRIATIONS. ~~The Appropriations Committee reported with amendments H. R. 12619, the mutual security appropriation bill, 1961 (S. Report No. 1849) (p. 15555). The "Daily Digest" states that as reported "the bill would provide a total of \$3,989,054,000, an increase of \$399,304,000 over the House-passed figure of \$3,589,750,000. The Budget estimates on this bill called for \$4,281,704,000." (p. D694).~~

~~By a vote of 59 to 14, passed without amendment S. 3855, to increase the authorization for appropriations for the President's mutual security contingency fund for fiscal year 1961 by \$100 million, or from \$150 million to \$250 million. pp. 15601-2, 15615-6, 15672~~

~~By a vote of 54 to 19, passed without amendment S. 3861, to authorize appropriation of \$600 million for economic aid for Latin America. pp. 15611-5, 15657-72~~

3. PUBLIC LANDS; MINERALS. By a vote of 59 to 28, passed without amendment H. R. 3860, to provide that the Interior Department shall make payments to small lead and zinc producers at a rate which would provide them a return equivalent to that which they would receive if the market price for zinc were 14½ cents per

pound and lead 17 cents per pound. This bill will now be sent to the President. pp. 15582-94

4. FREIGHT FORWARDERS; TRANSPORTATION. Passed as reported H. R. 5068, to provide for licensing independent foreign freight forwarders. The bill defines and provides for the licensing of independent ocean freight forwarders, permits common carriers by water to compensate ocean freight forwarders when they are licensed and perform any two of six enumerated services, and provides that common carriers by water may compensate independent ocean freight forwarders for performance of certain services and specifies the terms of such compensation. pp. 15564-6
5. PERSONNEL. The Post Office and Civil Service Committee reported with an additional amendment H. R. 8289 (this bill was previously reported with amendment by the Committee on Apr. 27, 1960), to accelerate the commencing date of civil service retirement annuities to the day after an employee retires rather than the month after he retires (S. Rept. 1855). p. 15556
6. OLD-AGE ASSISTANCE. The Finance Committee reported with amendments H. R. 12580, to provide Federal grants to States for medical care for aged individuals of low income (S. Rept. 1856). p. 15556
7. FARM PROGRAM; LEGISLATIVE PROGRAM. Sen. Keating urged enactment of the 21 points in the legislative program of the President set forth in his special message on Aug. 8, stating with regard to farm program recommendations that the "policies of the Eisenhower administration were fully set forth in the special message on agriculture of Jan. 11, 1954, that is 6 $\frac{1}{2}$ years ago," and had been repeated in numerous Presidential messages since that time. He inserted "full documentation of the times that the President has recommended his legislative program." pp. 15609-10, 15616-56
3. PASSED OVER the following bills: (pp. 15560-1, 15569, 15570)
 - S. 1474, to make permanent the provisions of the Reorganization Act of 1949.
 - H. R. 4012, to provide for the centennial celebration of the establishment of the land-grant colleges and State universities and the establishment of the Department of Agriculture.
 - H. R. 5140, to amend the Reorganization Act of 1949 so that the Act will apply to reorganization plans transmitted to Congress at any time before June 1, 1961.
 - S. 1851, to establish a Commission on a Dept. of Science and Technology.
 - S. 1789, to amend the Interstate Commerce Act to insure the adequacy of the national railroad freight car supply.
 - S. 1711, the food-for-peace bill.
 - S. 2522, to provide for the enrichment and sanitary packaging of certain donated commodities and to establish experimental food-stamp allotment programs.
 - S. 2086, to provide for the establishment of a National Wildlife Disease Laboratory.
 - S. 1787, to protect consumers and others against misbranding, false advertising and false invoicing of decorative hardwood, or imitation hardwood products.
 - H. R. 4601, to amend the Act of Sept. 1, 1954, in order to limit to cases involving the national security the prohibition on payment of annuities and retired pay to officers and employees of the U. S.
 - S. 1638, to modify the Federal personnel administration system.
 - S. 3292, to provide for the establishment of a Dept. of Housing and Metropolitan Affairs.

the distinguished majority leader with the understanding that I do not lose the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JOHNSON of Texas. Mr. President, I hesitate to ask the Senator from New York to indulge us further, but the distinguished Senator from Arkansas, the chairman of the Committee on Foreign Relations, is in the Chamber. I believe it will be a matter of a very few minutes, without any other speeches, if we may have the permission of the Senator from New York, for the Senator from Arkansas to call up these two rather important bills, one involving the President's contingent fund, and one involving the Latin-American program.

If we are unable to dispose of these measures within 10 minutes, I shall ask that Senators wait until after the Senator from New York has concluded his address. In any event, I shall ask that the yea-and-nay votes be postponed until after he has finished. However, it might be possible to secure the third reading of the bills if the Senator will indulge us for 10 minutes.

I ask that permission with the understanding that this colloquy will appear at another point in the RECORD. I shall be most grateful for the Senator's cooperation, if he feels disposed to give it.

Mr. KEATING. Mr. President, the majority leader is most persuasive. The Senator from New York took the floor at 4 o'clock, or shortly thereafter, and started to speak on his present subject at about 20 minutes of 6. Because I have yielded to all and sundry, I certainly do not want to stop my generosity at this point. Therefore, Mr. President, I ask unanimous consent that I may yield for the purpose of expediting action on the two bills reported by the Committee on Foreign Relations, and with the understanding, which was set forth by the majority leader, that I do not lose the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMERICAN REPUBLICS COOPERATION ACT

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 1910, Senate bill 361.

The PRESIDING OFFICER. The bill will be stated by title, for the information of the Senate.

The LEGISLATIVE CLERK. A bill (S. 3861) to provide for assistance in the development of Latin America and in the reconstruction of Chile, and for other purposes.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Texas?

There being no objection, the Senate proceeded to consider the bill.

Mr. JOHNSON of Texas. Mr. President, I yield now to the Senator from Arkansas.

Mr. FULBRIGHT. Mr. President, this is the second time this year I have taken the floor without enthusiasm to perform a public duty which falls to me as chair-

man of the Committee on Foreign Relations. My task is to explain and justify S. 3861, a bill which the committee has favorably reported authorizing the appropriation of \$600 million for economic aid for Latin America.

Foreign aid bills are unpopular even during the regular session of the Congress. I suspect that they will prove to be even more unpopular during a special session when the Congress, with only a limited time available, is trying to give adequate consideration to a number of major bills.

Another reason for feeling unenthusiastic about my task is that my sense of justice is injured by the President's proposal. It has been a long time since I have felt so torn between my sense of duty and my sense of fairness regarding a proper assignment of praise and blame. For a good many years responsible citizens and legislators, predominantly Democrats, have been calling for a really adequate, long-term program of assistance for economic development in Latin America. For 8 years of this administration these recommendations have been ignored. Senator SMATHERS on August 17 addressed the Senate with remarkable restraint, considering the provocation, concerning his own past warnings and recommendations regarding economic aid to Latin America.

Now, at the 11th hour, as the last dying gasp of this administration, we have received a request for a special authorization for economic aid to Latin America. The administration deserves little credit for this proposal. It has been forced on them. Not even the rocks which were thrown at Vice President Nixon in 1958 were sufficient to rouse the administration from its lethargy. It was only when Cuba went down the Communist road that the light began to dawn. Perhaps the President has finally realized that we have a very serious situation to the south of us.

I also lack enthusiasm because of the vagueness of the proposal. No program has been presented to the committee. No details worth speaking of have been offered. There is no country breakdown. There is not even the usual illustrative program. The Department of State speaks of this as an initial contribution. I would not mind this indefiniteness so much if I thought that the administration were adequately aware of the magnitude of the job in Latin America, of the time which will be needed, and of the methods which will be required.

Finally, I speak with a heavy heart because I realize that behind the President's failure to act during the past 8 years to meet the growing crisis in Latin America lies the fact that the American people have not yet accepted the idea that some kind of foreign aid program will be necessary for years to come, as far as we can see ahead. Our people continue to cling to the more comfortable idea that the present program of aid is temporary. They have the idea that after a few years the foreign problems will be solved and the United States can devote exclusive attention to our domestic affairs. We do

not as yet have a conception such as the Communist leaders have of a bitter struggle over a long period of years or, as they put it, a "permanent revolution."

Having said all this—in full recognition that the administration's proposal is very late, much too indefinite and vague—nevertheless, I must vote for the proposal. The temptation to reject it is great for the reasons I have given, but the committee has done what it could hurriedly to provide appropriate policy guidelines. In the circumstances I feel that I have no choice but to go along with the proposal. I urge my colleagues to do the same.

The bill which is before the Senate is frankly a stopgap measure. It is a promise to do something. It is designed to be of use especially at a major economic conference of representatives of American Republics which is to be held in Bogotá, Colombia, next month. The purpose of the bill is to enable the U.S. representatives at that conference to say to the others present that the United States agrees that there is an urgent need for immediate improvement in the living standards in Latin American countries. The bill will enable our representatives to offer U.S. assistance. The Department of State wishes to say to our Latin American friends that over and above loans from the International Bank for Reconstruction and Development, and in addition to the export of U.S. goods financed through Export-Import Bank loans, and in addition to the loans which will be made in Latin America by the Development Loan Fund—in addition to all these sources—we agree that there is a need for what the administration refers to as social development aid. That is, a need to do more to remedy inadequate education, poor health conditions, and social unrest. As Secretary Dillon put it to the committee in explaining the President's proposal, the administration has in mind "assistance in such fields as land settlement and land utilization, housing, vocational, technical, and scientific training and basic public facilities such as potable water systems and sewage systems."

The administration hopes that at the meeting in Bogotá the framework can be established for a comprehensive plan for cooperative development. The needs of Latin American countries should be assessed and cataloged. The assets for increased development should be appraised and a plan should be worked out to meet the gap. The phrase "Marshall plan" immediately comes to mind as one thinks of this process but the administration does not use the phrase.

The administration has not asked for an appropriation at this time. The amount is \$500 million. A specific program is to be submitted to the Congress next year. It is obvious that such a program will have to spell out the proposed uses for the money and specify the channels through which it is to be expended. The relative priority as among such needs as land reform, basic education and housing must be worked out. There may be a need for new institutions, both bilateral and multilateral, although at the present time the administration is

thinking of using the Inter-American Bank—which will come into operation on October 1—and the Inter-American Economic and Social Council. At the present time the administration expects that most of the funds will be used for loans but it reserves the possibility that 10 to 15 percent will be in the form of grants.

The remaining \$100 million out of the \$600 million which is authorized by the bill is earmarked for reconstruction in Chile. I need not dwell on the damage done there by earthquakes and floods. The ruins can be counted and the cost of reconstruction reasonably forecast over a short term. Again the administration does not intend to ask for an appropriation this year. The purpose of the authorization now is to serve as an assurance to Chile that as that country exerts itself to rebuild it can count on further help from the United States eventually.

So much for this brief description of the President's proposal. I believe I need not spend a great deal of time on the reasons why the United States should assist Latin America. The importance to us of our friendship with Latin American countries, of our trade with the area, of American investments of the many cultural ties, and of the strategic considerations are all well known.

The depth of poverty in Latin America—where there is a per capita gross national product of \$115 per year as compared with \$2,500 per year in the United States—is something which most people are dimly aware of but choose not to think about very often. It is not easy, however, to measure the need for capital investment in Latin America. President Kubitschek of Brazil and his associates may be thinking in terms of \$40 billion of capital from all sources over a period of years. What is not known, however, is the extent to which Latin American countries themselves can provide this capital.

The Committee on Foreign Relations has had some estimates made as to the capital requirements but the experts are reluctant to use firm dollar figures. I quote from a paragraph in the report to the committee prepared by the National Planning Association and released in January of this year:

Thus, there appears to be a major capital import requirement in Latin America which is not now being met by existing agencies, international and U.S. Government, or by private foreign investors. Nor is it likely to be adequately filled in the future by the two new international lending institutions that will become operative in the next few years. [The International Development Association (IDA) and the Inter-American Development Bank (IADB)]. However, it must also be pointed out that the magnitude of the need is not really known. There has as yet been no detailed or reliable estimate of the specific amounts and uses of imported capital required in the third category to supplement the resources of the Latin American countries available for such purposes. To obtain the necessary cooperation and information from Latin American governments, such a study would have to be conducted by an international institution. But, the study would be neither realistic nor worthwhile if the agency undertaking it were compelled to accept without critical review and substantial revision the national estimates of needs and indigenous resources.

Another way to measure the need in Latin America is to look at the danger signals. We can examine the causes of the falling off of U.S. exports to Latin America. We can review the reasons given for the insults which were hurled at Vice President Nixon as he traveled in South America. We can recall the deep concern expressed over and over again in public and in private by leaders of Latin American countries who have visited in the United States. We can count the recent revolutions. There have been revolutions of every kind, engineered by military officers, by middle class citizens, by coalitions of dissatisfied citizens of every level, and by Communists.

Any way you look at it, it becomes clear that this Government must do more to assist Latin American economic development than we have done in the past. The President's mutual security program which was presented to the Congress in February—only 6 months ago—called for economic aid to Latin America of the kind we are now talking about in the amount of \$64 million for the fiscal year 1961. It remains to be seen how much of that program will ultimately be funded with appropriations. The record shows that the cumulative economic aid under the mutual security program for Latin America for all the past 14 years amounts to \$564 million. To place this figure, which covers all the past, alongside the President's proposal now for \$500 million, while he labels as an initial contribution, gives one a rather good measure of the inadequacy of our past efforts in Latin America.

I doubt that any member of the Committee on Foreign Relations thought that the fiscal year 1961 program of aid to Latin America which was presented in February was adequate. It is equally true that members of the committee were aware that there was no point in trying to increase the amounts asked for. Anybody who has ever observed the fate of an attempt to increase an authorization for a mutual security program over and above what the President asks for will readily understand my point.

It was only last year that the Committee on Foreign Relations tried to place the Development Loan Fund on a long-term basis with adequate funds and with public debt financing. As soon as it became clear that the Treasury and the President were opposed there was no longer any hope that the Senate could be persuaded to support the committee.

Mr. President, I shall try to anticipate several questions about this bill which I know will be asked. Why is it that between July 1 and August 8 the President has changed his mind and has presented us with this large request for economic aid money for Latin America? Why is it necessary to legislate at all now, instead of waiting until a specific program has been developed? Does not the bill as it stands constitute a blank check for the President because it contains no guidelines as to how he is to spend the money?

I shall try to deal with these three questions. First, as to the President's change of mind. I can only speculate as to the reasons and the motivation for this. The President's legislative message

was not very helpful. I speculate that the President himself on his recent tour of Latin America may have sensed that behind the courteous welcome which he received all was not well.

A second factor, I think, has been the situation in Cuba. For the first time in the Western Hemisphere we now have a Communist government in full control of a very important country near our shores. This is enough to throw a scare into the most complacent among us.

The really scary fact, however, is the same conditions which led first to revolution and then to Communist control in Cuba also exist in many other countries in Latin America. Castro's success was no middle-of-the-night coup. He was supported from the very beginning by a broad spectrum of the people of Cuba. Cuba was ripe for revolution and the Communists have been able to grab the reins.

All over Latin America there are areas containing the same kind of dissatisfaction and readiness for revolution. In most of the countries the wealth is held by a very few and the overwhelming majority of the people are very poor. The system of taxation in many Latin American countries not only is designed to favor the rich but has the more serious result that vast areas of productive land and other resources are kept from being used for the benefit of the growing population. Illiteracy in Latin America is as bad as in any other part of the world. The point I wish to make is that while the President may have been frightened by the Cuban crisis into presenting his program, it is my hope that the administration sees beyond that immediate danger to the similar breeding grounds for revolution elsewhere in the area.

Mr. President, I turn to the second question which is being asked about this bill. Why not hold it up until there is a specific program to accompany the authorization? There are several answers to this question. First of all, making a program of economic and social development for Latin America is not something that can be done by experts sitting here in Washington. Such a program is not even something that can be worked out through a series of bilateral arrangements with Latin American countries. The reason is this: No program of economic development in Latin America is going to succeed unless the governments concerned are willing to put through programs of tax reform and investment which will require a big change in their internal affairs and large sacrifices on the part of some segments of the population. It would be counterproductive for the United States to insist upon reforms of this kind bilaterally. The only hope for them lies in all of the countries getting together and agreeing that they all must institute such measures cooperatively.

It will be necessary for the Latin American countries to agree on the priorities of outside aid to them. Unless they do this there will be jealousies among them and the ultimate cost of the development bill will be larger than it need be.

Some Senators may say that they agree with all that I have said but they still cannot see why we cannot wait until the Latin American countries agree on their internal reforms and their aid priorities. The trouble is that, owing to our past actions, this Government is forced to do something rather dramatic in order to convince the Latin American countries that we are really serious. State Department representatives have gone to so many meetings with Latin American representatives over the years and uttered so many platitudes about our eagerness to cooperate—without any corresponding action—that something a little more concrete than a verbal offer to help is called for. Hence this bill.

The Congress and the Executive would join, through this bill, in issuing a kind of promissory note. The bill constitutes an assurance that if the Latin American countries join with us in a cooperative plan for economic and social development the United States will back up the plan with sizable capital investment. Since the amount which is mentioned in the bill, \$500 million, is as large as all of the past mutual security aid for Latin America put together, this shows that we really mean business.

Finally, Mr. President, we should not, in my opinion, delay enactment of a bill of this kind because of the views of those who say that we shall soon have a new President who will wish to review the whole subject of foreign aid before making his proposals. Fortunately, our presidential election process need not paralyze us to that extent. The Democratic candidate for President is a member of the Committee on Foreign Relations and he supports the bill which I am discussing. I do not know for certain the position of the Republican candidate for President but I have no doubt that he supports it too.

I shall now deal with the assertion that this bill constitutes a blank check for the President. The basis for this contention lies in the fact that the authorization permits an appropriation to the Secretary of State of \$500 million which he may use to carry out the purposes of the bill on such terms and conditions as he may specify.

I concede that this bill is a blank check only to the following extent: It does constitute a promise on the part of the United States to help Latin America to the extent of \$500 million when adequate programs are developed. Aside from that there is no blank check. The bill is not an appropriation. No obligation of funds can be made pursuant to the bill. Moreover, the program for the future should be planned in accordance with the guidelines laid down in the bill.

I should like to take a little time to explain these guidelines. I am glad to say that they are bipartisan guidelines. They have been derived in part from the language of S. 3839, the administration's bill, introduced by request; they have been derived in part from amendments to S. 3839 which were introduced by Senator CAPEHART; they have been derived in part from Senate Resolution 353 which was introduced by Senator MANSFIELD.

The effect of the policy statements contained in the committee bill, S. 3861,

is to instruct the U.S. representatives who will be working out development plans with the Latin American Republics.

I shall summarize the main parts of these instructions:

First. There must be a plan of hemispheric development worked out. This plan must be open to all Latin American Republics. The plan must be based upon "a strong production effort, the expansion of foreign trade, the creation and maintenance of internal financial stability, the growth of free economic and social institutions, and the development of economic cooperation."

Second. There must be greater economic cooperation in this hemisphere, especially through the removal of barriers to trade. In this effort, the United States must be prepared to do its share. The bill specifically refers to the advantages which we have enjoyed here in the United States arising from the absence of internal trade barriers. The bill specifically encourages the gradual development of regional common markets among the American Republics.

Third. There must be developed measures which will stabilize extreme price fluctuations for the export commodities on which Latin American countries depend so heavily. Until recently the administration consistently opposed every attempt by Latin American countries to get anywhere with the establishment of commodity price stabilization mechanisms. In the last year or so we have finally changed that policy. We have now actually assisted in the establishment of a marketing agreement among coffee producing countries. It is this kind of cooperative undertaking for other commodities which must be vigorously pursued.

Fourth. There is an urgent need for additional measures to increase understanding among the peoples of this hemisphere. We need more exchanges of persons. We need more interchange of ideas and techniques of production. We need more exchanges of teachers and educators. We need more traffic in cultural delegations and exhibits. We need a further increase in tourist and other travel by the peoples of the hemisphere.

Fifth. There is a need for gradual achievement of a consensus about the use of private capital in the hemisphere. This consensus must extend not only to the question of protection to be given to capital investment which comes from outside a country; it must also extend to the questions of local participation in the operation of businesses and to the proper treatment of local employees.

These are some of the principles which will guide the preparation of the program which is authorized by the bill. If these policies are not followed no program of financial aid, however large, can succeed.

Mr. President, I shall close these remarks in support of S. 3861 with what I hope will be two sobering thoughts. First, I hope that no one will be misled by this bill. None of its sponsors believe that the dangers in Latin America can be eliminated for the price of \$500 million. This \$500 million is just the beginning. No one can say how much money

will ultimately be necessary. No one can say how long the job will take.

The other sobering thought is this. I have been talking only of Latin America. We all know full well, however, that there are similar needs and dangers elsewhere. While we need a plan for much more rapid economic and social development in Latin America there is also a need for similar plans in other critical areas in the world.

Finally, the money herein authorized is the least important part of the program if it is to succeed. Of much greater importance is the wisdom, the patience, and the foresight in planning for the future, which has been so sadly lacking in the past.

Mr. JOHNSON of Texas. Mr. President, we come to this measure late in the day. But this is a situation where the philosophy of "better late than never" should prevail.

What we are considering is a commitment long overdue—a commitment to our friends and neighbors to the south. We are pledging to them the help they need to help themselves in developing their resources—both human and physical.

We had the warnings—many of them expressed from this floor. But it took the impact of unpleasant events to bring action.

A number of years ago, a great President of the United States committed this Nation to the policy of the good neighbor. It was a fruitful policy which welded the Western Hemisphere into a strong unit to the mutual advantage of all its member countries.

This was a policy which assured us friends in peace and allies in war. The Western Hemisphere flourished as never before in its history.

Unfortunately, the passage of time brought us many problems. Frequently, the press of events leads us to ignore those who are closest and dearest to us.

Our eyes became fixed on another hemisphere and our neighbors to the south became secondary in the thoughts of our policymakers.

Tremendous changes have taken place in Latin America since the days that Franklin D. Roosevelt announced the good neighbor policy. The population has increased tremendously and is still increasing at a faster rate than any other area of the world.

Great shifts have taken place in trade patterns. Commodities which provided the economic base for some nations have declined in value. And political changes in other parts of the world have had a direct effect upon the trade of our neighbors.

These economic and social changes led inevitably to political changes. And these changes crept up on us unnoticed until they burst into the open with bewildering rapidity.

Now we find ourselves confronted with disturbing trends right on our own doorstep. We have come to the realization—and it is frightening—that the Western Hemisphere is not safe from Communist penetration.

The cold war is no longer something remote to be waged in remote corners of

the globe. It is right here at home in our own hemisphere.

These developments jolted us out of our complacency. But we must realize that we will not solve the situation if we merely seek to wage and win the cold war.

Our motives must be nobler; our objectives must be sounder; our foresight must be greater than merely defeating communism.

We must rededicate ourselves to the good neighbor policy. We must offer the help of neighbor to neighbors—not just the assistance of an embattled power seeking allies.

The situation in the Western Hemisphere will not be solved solely by money. What is needed is a change in attitude. We must recognize our Latin American neighbors as people who have problems—and who can solve those problems themselves with some neighborly help.

I sympathize with the members of the Foreign Relations Committee who handled this bill. As the committee report notes, the administration has made a most unusual request. In effect, we are being asked to grant the administration a \$600 million blank check.

The committee acceded reluctantly to the request because of the urgency of the issue at stake. Furthermore, we are told that there will be no request for an appropriation until firm programs have been developed.

Under the circumstances, the responsible course is to approve the measure. We will trust to the next Congress the task of laying down legislative guidelines to give substance to this authorization.

We must also entrust to the next administration the vital job of reviewing our entire Latin American policy. Although this measure is one which I am willing to approve, I am not willing to consider it a policy.

It is merely an authorization to back our representatives at the Bogotá Economic Conference on September 5 and to assist in the reconstruction of devastated Chile.

There are tremendous forces stirring in the world to the south. What we have seen so far is merely a surface manifestation of the trends that are underway.

Our Latin American neighbors are on the march. Their goal is the development of their resources so their nations can enjoy the full benefits of the 20th century and so grinding poverty will become merely a memory.

They are entitled to intelligent help—the intelligent help that should come from a good neighbor. And we are obligated to grant that help—not just out of self-interest but in the name of morality.

Mr. FULBRIGHT. Mr. President, this measure is broken down to an authorization of \$500 million for economic aid to Latin America and an authorization of \$100 million, really, for the relief and rehabilitation of Chile, which, as Senators know, recently suffered very great damage from earthquakes.

I shall be glad to answer any questions about the bill.

The committee had very grave reservations about this measure. We would have preferred not to approve this authorization, but to have our negotiations with the Latin American countries continued. But the State Department insisted on the authorization.

It is our understanding that after the first of the year they will submit a program for the utilization of this fund—one which should be arrived at after consultation with the Latin American countries concerned.

In this bill we provide for such a contingency—namely, that it will be subject to further programs to be developed and authorized later on. We expect to have an amendment to this part after the first of the year.

The administration believes it very important that its representatives go to the Bogotá Conference with an authorization. I think it is a little strange that the administration believes it necessary to have an authorization in order to give validity to its promises.

Nevertheless, that is the position of the administration. So the committee very unenthusiastically acceded to the administration's request, and reported the bill. I am speaking now of the \$500 million authorization for aid to Latin America.

Mr. HOLLAND. Mr. President, will the Senator from Arkansas yield?

Mr. FULBRIGHT. I yield.

Mr. HOLLAND. Is this a grant program?

Mr. FULBRIGHT. No; it is a loan program, except that it is anticipated that possibly up to 15 percent may be grants. But it is intended to be a loan program almost entirely, and they now intend it to be administered through the Inter-American Development Bank.

As I have said, this is an unusual procedure. The saving grace is that they are not asking for an appropriation; and we believe, in good faith, that we shall have the program as to what the money will be spent for, at the beginning of the next year; and I am confident that the Appropriations Committee will see to it that no appropriation is made until the program is outlined.

Mr. HOLLAND. Under the terms of the authorization, would this amount to contractual authority?

Mr. FULBRIGHT. No. This is an authorization, which must be followed by an appropriation. And I say they will not make contracts or appropriations until the program has been submitted and acted on.

Mr. JOHNSON of Texas. Mr. President, in view of the fact that a considerable number of Senators are now present, I ask that we may now ask for the ordering of the yeas and nays, with the understanding that the vote will not be taken until after the Senator from New York concludes his speech.

The PRESIDING OFFICER. Is there objection? The Chair hears none.

Mr. JOHNSON of Texas. Then, Mr. President, I ask for the yeas and nays on the question of the final vote on Senate bill 3861.

The yeas and nays were ordered.

Mr. HOLLAND. Mr. President, will the Senator from Arkansas yield?

Mr. FULBRIGHT. I yield.

Mr. HOLLAND. Can the Senator state in what particulars this program differs from the Development Loan Fund program or the part of it which applies to Latin America.

Mr. FULBRIGHT. The objectives of this one will, in my judgment, be similar to the objectives of the development loan program, except that in presenting it the administration has a much broader concept of its objectives. They are set forth in the policy statement in regard to this matter—a much broader field, including land settlement and educational reform, and so forth.

Within the past few months the administration has gone much further in its acceptance of responsibility for the development of Latin America. Prior thereto, the administration took a very restricted view as to what should be done.

I would say the objectives set forth in the bill and in the report are broader than ever before.

Mr. CHURCH. Mr. President, will the Senator from Arkansas yield?

Mr. FULBRIGHT. I yield.

Mr. CHURCH. I wish to commend the Senator from Arkansas for his lucid statement. I certainly share his point of view.

Mr. President, I support this bill with great reluctance, only because the gravity of the situation requires that we give the President the benefit of the doubt.

For the first time in our history a Communist beachhead has been established within 90 miles of our shores. Cuba is becoming a Russian satellite. The Monroe Doctrine is being openly challenged. Worse still, other Latin American governments tremble, knowing full well that the same conditions exist in their countries that led first to revolution and then to Communist domination of Cuba.

Mr. President, I would ask the Senator whether he shares my opinion that this bill is not a program, but, rather, a demand for a \$500 million promissory note, drawn in blank.

Mr. FULBRIGHT. Yes; I agree.

Mr. CHURCH. I think that all of us on the Foreign Relations Committee have come to realize the urgent needs of Latin America for capital. That capital has to be considered as the sum total of direct assistance, loan programs, and private investment, which, in the aggregate, could come to as much as \$10 billion during the next few years.

Private investment in Latin America has virtually ceased, owing to the experience in Cuba.

The present rate of private investment has dropped, I understand, from about half a billion dollars a year to about \$32 million a year.

In the testimony given by Under Secretary of State Douglas Dillon, he referred to this bill as an initial contribution. It seems to me that the administration should make a clean breast of the matter. They know that any program really designed to improve living standards in Latin America must have the continuity of a Marshall plan, and then it will be successful only if it is accompanied by basic tax and land re-

forms within these countries, which will assure the people better earnings.

Otherwise, it seems to me we are in danger of pouring our money onto the sands, making the rich richer, while the growing disparity between the rich and the poor will only breed new revolution and feed it into the hands of the Communists.

I feel very strongly that something more than a blank check is needed, and that unless we have a sufficient program of the dimensions and continuity of the Marshall plan, for all the Americas, our money may very well be wasted. I feel that the administration's bill fails to meet the essential prerequisites; and I support it only because the gravity of the situation requires that the President be given the benefit of the doubt.

Mr. FULBRIGHT. I thank the Senator from Idaho.

The PRESIDING OFFICER. If there be no amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading and was read the third time.

INCREASE OF AUTHORIZATION FOR APPROPRIATIONS FOR PRESIDENT'S MUTUAL SECURITY CONTINGENCY FUND

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the Senate now proceed to the consideration of Calendar No. 1908, Senate bill 3855.

The PRESIDING OFFICER. The bill will be read by title, for the information of the Senate.

The CHIEF CLERK. A bill (S. 3855) to increase the authorization for appropriations for the President's mutual security contingency fund for the fiscal year 1961, and for other purposes.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Texas?

There being no objection, the Senate proceeded to consider the bill.

Mr. FULBRIGHT. Mr. President, I shall make a statement in explanation of the bill.

Mr. JOHNSON of Texas. First, Mr. President, I wish to ask for the ordering of the yeas and nays on the question of the passage of this bill, so that Senators may know that there will be a yeas-and-nays vote.

The PRESIDING OFFICER. The yeas and nays have been demanded on the question of the final passage of the bill. Is there a sufficient second?

The yeas and nays were ordered.

Mr. FULBRIGHT. Mr. President, this bill does two things:

First. (a) It authorizes the appropriation of \$100 million to increase the President's contingency fund from \$150 million to \$250 million for the current fiscal year; and (b) it authorizes for 1 year waiver of a section of the Mutual Security Act which limits the use of certain program funds for administrative expenses.

Second. The main reason for increasing the contingency fund is that the failure of the summit conference has increased tensions and it is obvious that

the Soviet Union is trying to make trouble everywhere, especially in Latin America.

Some of the funds will be useful in the Congo. But 16 other nations will become independent in Africa this year and it is only good sense for the President—whoever he may be—to have flexibility in dealing with these situations.

Third. Use of the contingency fund is limited by two principal requirements: (a) It is to be used only when "the President determines that such use is important to the security of the United States"; and (b) if the President must use his special waiver authority not more than \$30 million may be used in any one year for any one nation.

Fourth. The attached letter from Secretary Dillon clearly sets forth the need for this legislation.

I ask unanimous consent to have printed at this point in the RECORD the letter from the Acting Secretary, Mr. Douglas Dillon, to me, together with some material attached thereto.

There being no objection, the letter and material were ordered to be printed in the RECORD, as follows:

DEPARTMENT OF STATE,
Washington, August 17, 1960.

Hon. J. WILLIAM FULBRIGHT,
Chairman, Committee on Foreign Relations,
U.S. Senate.

DEAR MR. CHAIRMAN: In response to your request for further comment as to the purposes for which the additional \$100 million of contingency funds requested by the President might be used, I should like to make several points.

In the first place, it should be clearly understood that we are not asking that these funds be appropriated to finance a program of assistance just for the Congo or of any particular amount for the Congo. The uncertainties of the present situation and of the future course of events in the Congo make it both unwise and undesirable to attempt to make any final determination now as to the amount, if any, of U.S. participation in meeting the needs in that country.

As I testified before your committee, we believe that the United Nations is the proper organ to undertake technical and economic assistance programs in the Congo. We believe that assistance from outside sources including the United States should be handled by the United Nations. It is our belief and expectation that other free world countries will agree with this view and will join in contributing assistance. So far as the Congo is concerned, our purpose in asking for additional contingency funds is to put us in a position whereby we can join with other nations in responding to United Nations needs.

It is highly important to realize also, as I testified, that the whole situation in Africa has dramatically altered since our regular program proposals were prepared nearly a year ago and submitted to the Congress 6 months ago. The possibility of additional unforeseen contingencies in this troubled area is quite real.

It should be borne in mind also that at the time our original estimates of requirements for contingency funds were presented to the Congress the situation in the world was one of guarded hope that some relaxation of international tensions might be obtained through discussions with Communist leaders at the projected summit meetings. The events which have since occurred have produced a much less optimistic outlook for the near future. The Soviet leaders not only destroyed the summit conference, but, as your committee is aware, have continually

made plain their intention to intensify and prolong tensions. I am enclosing a tabulation of the major Soviet actions and statements since the disruption of the summit meeting. It may be helpful in providing a perspective substantiating this point.

Sincerely yours,

DOUGLAS DILLON,
Acting Secretary.

SOVIET ACTION AND STATEMENTS SINCE THE SUMMIT

May 18: At Paris press conference, Khrushchev declares that shattering blows will be struck at bases from which U.S. planes overflying U.S.S.R. take off.

May 28: In a Moscow speech, Khrushchev repeats threat against U.S. overseas bases and adds: "But we also have intercontinental rockets destined to strike the aggressor across the ocean."

May 30: Soviet Defense Minister Malinovsky declares Soviet rocket troops have been ordered to attack the takeoff base of aircraft violating Soviet airspace.

June 1: Replying to Dutch note of April 12, a Soviet note accuses the Netherlands of increasing the danger of war in southeast Asia by sending military reinforcements to West New Guinea.

June 3: Khrushchev, at a Moscow press conference, vilifies President Eisenhower and repeats previous threats against U.S. foreign bases; he says that Malinovsky's May 30 threat should be understood "literally."

June 15: Soviet note to Japan repeats earlier protests against the United States-Japanese security treaty made in the Soviet note of May 20, complains of the lack of a reply, and warns that Japan must face the consequences of alleged U.S. military provocations.

June 19: In conversation with Western reporters in Bucharest, Khrushchev reiterates missile threat if overflights occur, asserting: "We will strike with missiles that can hit precisely a very small target far away."

June 22: Second Soviet note to Pakistan on U-2 warns of retaliation for any repetition of such flights.

June 27: Soviet and bloc delegations walk out of 10-nation disarmament conference in Geneva. Khrushchev addresses letters to heads of government of the five Western conference participants, in which he attributes chief blame for the failure of the conference to the United States.

June 28: U.S.S.R. announces series of missile tests will be conducted in the central Pacific in July.

June 29: TASS releases a Soviet Government statement urging Japan to abrogate its security pact with the United States.

June 30: Soviet notes to the United States, the United Kingdom, and France protest the alleged use of West Berlin for the military building of the Federal Republic and the recruitment of West Berliners into the Bundeswehr.

July 1: U.S.S.R. shoots down RB-47 in international waters over the Barents Sea. Moscow maintains silence about the incident; Gromyko, touring Austria with Khrushchev, declares on July 6 the Soviet party has "no information at all about the plane." Soviet vessels voluntarily join in the search for possible survivors.

July 4: Speaking in Austria, Khrushchev praises Austrian neutrality and declares U.S.S.R. will not remain aloof "if anyone violates this neutrality."

July 6: Khrushchev warns that United States use of bases in Italy would be "a deliberate violation of Austrian neutrality."

July 8: At Vienna press conference, Khrushchev threatens that if West German Bundestag meets in West Berlin in September, he might then consider signing a peace treaty with the East German regime.

July 9: In a Moscow speech, Khrushchev warns that the U.S.S.R. will use missiles to defend Cuba against U.S. aggression.

July 10: A Khrushchev message, read by Cuban President Dorticos in Havana, pledges that the U.S.S.R. will buy Cuban sugar refused by the United States if the Cuban Government has difficulty in selling it.

July 11: U.S.S.R. sends protest note to United States alleging violation of airspace by RB-47, revealing plane was shot down, and declaring that Moscow will try surviving crewmen. Similar notes are given to Norway and the United Kingdom, accusing them of complicity in the "aggressive act."

July 12: Khrushchev, at a Moscow press conference, belligerently discusses the RB-47 incident, Cuba, and the Congo. On the plane incident, Khrushchev accuses the United States and its allies of "openly provoking a serious military conflict," and charges that the RB-47 flight gave the lie to the President's assurances concerning the suspension of overflights. The Soviet Premier also repeats and confirms the continuing validity of the Malinovsky missile threat against U.S. overseas bases. On Cuba, Khrushchev asserts that the Monroe Doctrine is "dead," and pledges Soviet support if the United States should undertake "aggressive action" against Cuba. On the Congo:

July 12: Khrushchev denounces the sending of Belgian troops as a "policy of brigandage" and accuses NATO of complicity in such "aggression."

July 13: A Soviet Government statement on the situation in the Congo, handed to all missions in Moscow, condemns supposed Belgian and Western military intervention against the Congolese Republic.

July 13: The U.S.S.R., in a note to Belgium, charges Brussels with "enslavement" of the Congo.

July 13: In a Security Council session on the Congo, the U.S.S.R. accuses the United States of planning to take away the Congo's independence.

July 15: Khrushchev, in a message to the Congolese Government, warns that the U.S.S.R. might consider direct intervention in the Congo if "aggression" continues.

July 15: Soviet note to the United States on the RB-47 attacks the U.S. note of July 13 as "full of inventions."

July 15: Soviet memorandum to the United States protests the "provocative buzzing" of Soviet ships by U.S. planes. Similar notes sent to other Western countries.

July 16: A TASS statement disclaims that the U.S.S.R. meddles in Latin American affairs, accuses the United States of doing so, and reasserts Soviet support of Cuba against the United States. The statement makes a full-scale attack against the Monroe Doctrine.

July 18: TASS announces that the trial of U-2 Pilot Powers will begin on August 17 before the military Collegium "in open session."

July 19: Soviet notes to the United States and the FRG on the arming of the Bundeswehr with Polaris missiles warn of "fearful and dangerous consequences."

July 20: Soviet-Cuban communiqué issued at the end of Raúl Castro's visit in Moscow repeats Khrushchev's pledge that the U.S.S.R. would support Cuba against the United States. At Security Council meeting on the Congo, the Soviet delegate reiterates the threat of Soviet intervention.

July 26: U.S.S.R. vetoes two Security Council resolutions on the RB-47, one of which would have permitted the International Red Cross to render humanitarian aid to the surviving crewmen.

July 28: Soviet notes to the United States, the United Kingdom, and France protests the Bundestag's passage of a law establishing a Federal German radio council with its seat in West Berlin.

July 31: A Soviet Government statement on the Congo threatens that the U.S.S.R.

will take "resolute measures" if the "imperialist aggression" against the Congo continue.

August 2: Soviet note on the RB-47 to the United States reiterates past Soviet stand, and rejects U.S. charges.

August 3: Soviet note to the United Kingdom on the RB-47 accuses the British of adopting a strange position and conniving with the United States in aggression.

August 5: Soviet Government statement on the Congo declares that if U.N. troops are unable to secure the withdrawal of "interventionist troops," then forces should be sent "by nations which are prepared to share in carrying out this fair act."

August 9: U.S.S.R. releases indictment of U-2 Pilot Powers, says he pleaded guilty to the bulk of the charges.

Mr. JOHNSON of Texas. Mr. President, I ask for the third reading.

The bill (S. 3855) was ordered to a third reading and was read the third time.

Mr. JOHNSON of Texas. Mr. President, we have had the third reading on these two bills. We have used I do not know how much of the time allotted, but I appreciate what the Senator has done. At the conclusion of the Senator's address we hope we can get to an early vote.

Mr. DWORSHAK. Mr. President, are not we going to have an opportunity to discuss it?

Mr. JOHNSON of Texas. Yes; after the Senator from New York finishes his speech. He has yielded so the chairman could explain it. The chairman has completed his explanation.

Mr. DWORSHAK. Will the Senator be here to answer some questions?

Mr. FULBRIGHT. I will be here.

Mr. JOHNSON of Texas. Does the Senator want to ask him questions now?

Mr. DWORSHAK. No. I will wait.

THE 21 POINTS OF THE PRESIDENT'S PROGRAM

Mr. KEATING. Mr. President, I now turn to the eighth item of the President's program.

Eighth. Proper financing to avoid delays in our Interstate Highway Program has been one of the President's requests for the last 6 years. In his second state of the Union address, delivered January 7, 1954, the President made the very plea that has echoed down the years with so little effect on the Congress. What the President said was "so that maximum progress can be made to overcome present inadequacies in the Interstate Highway System, we must continue the Federal gasoline tax at 2 cents per gallon. This will require cancellation of the one-half cent decrease which would otherwise become effective April 1, and will maintain revenues so that an expanded highway program can be undertaken."

The problem of financing the highway program was again mentioned in the budget and economic report of that year. But the major document which the administration presented to Congress was a 54-page special message devoted entirely to the national highway program. This was submitted, not yesterday, as some might have us think, but February 22, 1955, that is, 5 years and 6 months ago. Despite the President's urging, no

program was adopted that year. In the state-of-the-Union message for 1956, the President pointed out that there were 3 million more cars on the roads than in 1955, and that nearly 40,000 people had been killed that year. In response to this plea, the highway program was enacted into law in 1956.

Then, under legislation enacted in 1958, grant-in-aid funds to the States for highway construction under Federal-aid programs were sharply increased to combat a mild recession. Therefore, it became clear in mid-1959 that the highway trust fund would face a deficit in 1960. Under the mandatory terms of the legislation, apportionments to the States would have to be cut back. To avoid such postponement, which would have been costly in every respect, the administration requested a 1½-cent increase in the gasoline excise tax. Since Congress approved an increase of only 1 cent per gallon, cutbacks were unavoidable.

It was to prevent this setback in highway building that the President, in May 1959, called for another temporary increase in the tax on fuel. In other words, as soon as it became apparent that the program could not proceed as fast as desired, the President called for an increase in revenues to keep the whole project on its mandatory pay-as-you-go basis. Twice he requested the increase in 1959, and again this year he has twice requested a similar increase.

The President's position on this matter has been clear, reasonable, and consistent. The idea of financing Government projects on a pay-as-you-go basis is not a new one, although it may be foreign to the thinking of some people. The President has wisely and properly stressed this approach in the highway expansion program. He has given ample warning to Congress when new taxes were needed. To term his latest request for increased revenue an innovation is indeed a very peculiar way of using the English language.

Ninth. Also in the field of transportation and communication, the President has long urged that a moderate tax be assessed on aviation gasoline and jet fuel. The President pointed out in his budget statement of January 13, 1958, that the Federal Government provide a wide range of services for the private users of airspace. In order that those who use these services should bear the burden of their cost, instead of foisting it onto the general public, Eisenhower suggested a tax of 3½ cents per gallon on jet fuels and an increase in the aviation gas tax, bringing that also up to 3½ cents per gallon, plus yearly increases bringing the total rate up to 6½ cents per gallon. The President's plea was repeated in the economic reports and budget messages of 1959 and 1960. Therefore, when the President mentioned the subject in his special messages of May and August of this year, he was talking about something that the Congress had indeed heard before.

Tenth. Another request that the administration has made, not once but seven times, in the course of the last 7 years and 7 months is that the ceilings on

that our Defense Department, with its awesome global responsibilities, is functioning with such smooth efficiency.

Much of the credit for this situation is due Defense Secretary Thomas S. Gates, Jr., and his relations with the Joint Chiefs of Staff.

Gates initiated a policy of sitting with the Joint Chiefs—a seemingly minor administrative detail, but actually a historic contribution to the defense organization.

The Evening Tribune praised this innovation at the start, a view shared by a wide cross section of the American press and by members of both parties in the House and the Senate.

Senator HUBERT H. HUMPHREY, Democrat, of Minnesota, who has in his own words, "not been hesitant to criticize the foreign and defense policies of the present administration when I thought such criticism was justified," delivered a Senate speech in praise of Gates' policy.

"The Secretary of Defense's policy of sitting with the Joint Chiefs of Staff has many beneficial effects," HUMPHREY said.

"It has speeded the decisionmaking processes in strategic planning at the seat of government; it has made the constitutional principle of civilian control of the military realistic and meaningful; it has provided a persuasive demonstration of the ability of our form of government to devise an effective strategic planning system and thus be able to reject the outmoded, discredited, and defeated single chief of staff—supreme high command methods of monarchial and dictatorial regimes."

In this last point, HUMPHREY has touched on a significant philosophical point that all too often is lost sight of in the emphasis on practical effects of the Gates policy.

The concept of the Joint Chiefs of Staff is in harmony with our form of government. This is essential for an effective and responsive functioning of our military institutions.

An alien and autocratic system as HUMPHREY properly analyzed it, would put us "in the position of undermining the kind of government and endangering the beliefs which, paradoxically, our military effort is designed to protect."

The Minnesota Democrat has commendably associated himself with views that are shared by millions concerned about the best defense of America.

AMERICAN REPUBLICS COOPERATION ACT

The Senate resumed the consideration of the bill (S. 3861) to provide for assistance in the development of Latin America and in the reconstruction of Chile, and for other purposes.

Mr. KEATING. Mr. President, on August 8 the President of the United States came before the Congress to reiterate his long-term legislative recommendations. Most of his proposals were old ones, long familiar to the attentive Members of this House. But the President also offered three new programs in foreign affairs to strengthen the position of this country throughout the world. He called for increases in the mutual security contingency fund, a new program for Latin America, and a United Nations program for distribution of surplus foods. The President particularly requested that the Congress give its approval, through an authorization bill, to the Latin American program. Mr. President, I should like to urge rapid passage of that very important authorization.

Relations between this country and Latin America have become a matter of increasing concern for the last few years. The United States has long since abandoned the policy of "dollar diplomacy" which aroused considerable distaste south of the border. The "good neighbor policy" which, incidentally, was the creation of President Herbert Hoover, did much to counteract this latent hostility. But much still remains to be done.

The aftermath of the Second World War has led to a determined effort in all parts of the globe to raise the standard of living and increase productivity. This is about the only policy that the nations of the free world and the Communist bloc have had in common over the last 15 years of conflict.

In the race for riches, the revolution of rising expectations, or whatever you may call it, the United States has played a dual role. First, it has stood as the goal that every other country has sought to reach. Second, it has also been the most generous helper to other nations in the long, hard pull that many must make to reach economic solvency.

Naturally, this has led to divided feelings among the poorer nations, feelings of envy, feelings even of resentment, while at the same time some nations have striven to copy U.S. developments slavishly without due consideration of their own needs. All these tensions have been particularly felt in Latin America—so close to us geographically and in some other ways, but so far from us in economic and historical development. Mr. President, these tensions that have existed between this country and some of our Latin American neighbors—I am not incidentally speaking of Cuba, for I put that country in a completely different category—have been inevitable.

The plan that the President has put forth represents one of the best and shrewdest ways imaginable to help Latin America. The President has called for \$600 million, five-sixths of which would be used "for projects designed to contribute to opportunities for a better way of life for the individual citizens of the countries of Latin America." Such a plan will show very clearly to the Latin American people—to all the people—that we have a genuine concern for their well-being and progress. It will show that our generosity and concern is not limited to nations on the other side of the globe, or nations that face an immediate physical threat of communism. It will show that we really feel like neighbors toward our friends to the south.

Mr. President, it is particularly important that we approve the authorization of this money, five-sixth of which, as I have said, will accelerate social development and economic growth, and one-sixth of which will be used to repair the ravages of earthquakes in Chile. Let us act promptly and decisively.

Mr. LONG of Louisiana. Mr. President, I believe we have some indication that the request for the \$500 million program for Latin America, with no guidelines and no standards to rely upon, is the beginning of a multimillion-dollar program, and the members of the com-

mittee cannot tell us what sort of program we are voting for.

We know this is going to cost many, many billions of dollars. It is another Marshall plan, except this one will continue on indefinitely. The Marshall plan at least had a termination date over a period of several years. There is absolutely no limit to the amount that this plan can cost. The program is an open invitation for any nation in South America to come up with any conceivable program which presumably would be financed by the American taxpayers.

While I would favor another well-considered program to assist with the economic development of Latin America, I feel that the proposed legislation is so loose and so lacking in specifications that the entire matter should be postponed until we are in a position to look at a specific program with details to back it up.

I am particularly concerned about certain statements contained in the testimony of Mr. Douglas Dillon in support of this program. Mr. Dillon seems to take the attitude that no relatively poor country can do anything for itself. The truth is that practically everything that we propose to do in this bill for the help of others is something which those countries are already in a position to do for themselves, if they care to make the effort and the sacrifice to do it.

I have looked at a few statements from Mr. Dillon's 9-page prepared text which he presented to the Senate Foreign Relations Committee on this program. On page 2 Mr. Dillon said:

While there has been a steady rise in national income throughout the area, millions of underprivileged have not benefited thereby.

What is that but a declaration that politicians and wealthy families in control of most Latin American countries do not have a sufficient interest in the working masses to see that prosperity is generally shared by all of the people rather than hogged by the privileged few, and how does Mr. Dillon propose to handle the \$500 million, and the billions that will follow it to prevent it from going the way of all other income in those countries? No suggestion is made.

Last night the Senate voted for a minimum wage bill, one of the purposes of which was to see that the prosperity of the country would be more generally shared by the people. Nations of South America could do the same thing if they had any desire to do so, and to see that the wealth being accumulated in a few hands in many of those countries is more generally shared. Yet we have no assurance that this program will not be shared in exactly the same way that the income of those countries is now shared. The few get it; the many get little.

That has been my criticism of the program as administered by Mr. Dillon, and such questions arose in my mind even when his name came before the Senate for confirmation some time ago.

The indications were it was a trickle-down program that did not trickle down to the masses, and the masses never saw any benefit of the many billions of dollars of foreign aid that were being spent by the American taxpayers.

To quote from the same page of Mr. Dillon's statement:

The distribution of national income in many countries has been far from equitable, with the bulk of the income going to a very small portion of the population.

Again I ask how Mr. Dillon proposes to assure us that the \$500 million requested and the many billions that will follow it will not also go to the small percentage of the population which is grabbing for themselves most of the income of these Latin-American countries? If we are to assist those Latin-American countries further, why in the name of common-sense should we not insist that our aid be accompanied by economic reforms in those countries?

As much as I deplore the government of Fidel Castro because it is a Communist-controlled government, we must concede that he has been demonstrating how large land holdings can be broken up and income can be spread more evenly.

At this point let me say that prior to the revolution of Mr. Castro in Cuba, Cuba had the highest per capita income of any of the Latin American countries. That did not prevent Mr. Castro from having a successful revolution in Cuba. As a matter of fact, there were fundraising meetings held for Mr. Castro in Florida at the time the revolution was going on, even though the State Department representatives in Mexico were sending memoranda informing the State Department that all the information they had in Mexico, from which country Mr. Castro left to go to Cuba, indicated that Castro was a Communist, and we would be in for a Communist takeover if those who were working for the program to help the Castro revolution were successful in putting his government in power.

So there was no lack of economic aid. Our Sugar Act alone represented \$150 million a year economic aid for Cuba and the Cuban people. We gave Cuba economic aid to the tune of \$50 million a year. It was not the lack of aid that caused that country to go Communist. It was the fact that no serious effort was made to prevent the Communist-inspired revolution from succeeding, even though we had information that should have led us to know what was happening in Cuba.

Quoting from page 3 of the statement of Mr. Dillon:

Our purpose is not to finance public housing—the requirements of that are far too great. Our purpose is to stimulate the mobilization of private capital in the other American Republics through the means which have been so successful in this country, such as building and loan associations and similar credit institutions.

This sounds very much like the "trickle down" theory for which we have condemned the Republicans so many times. The trouble is that without firm standards the purpose is seldom achieved. The administration has always resisted any sort of firm Federal standards for foreign aid on the theory that a proper respect for a sovereign country would not permit us even to inquire what happened to our aid money after we turned it loose.

What, if anything, does Mr. Dillon propose to do to assure that the \$500 million would not be as ineffectual as the many billions we have already invested fruitlessly in many such undertakings?

Quoting from page 4:

Many countries still maintain land-tenure and land-taxation systems which date from colonial times and which frequently result in the underutilization or nonutilization of large areas of potentially productive land. These antiquated systems have led to a rising tide of demands for land reform.

It is within the power of every one of these countries to institute land reforms. What are we supposed to do about it? I suppose it would be Mr. Dillon's proposal that this country should buy land with U.S. dollars so that the land could then be distributed among others. It is certainly within the power of every one of these Central and South American countries to seize large land holdings and distribute them among the people. A logical way would be for the Government to issue bonds payable in the local currency of those nations to pay for the land thus taken.

I ask Senators to consider where would the stopping point be if the U.S. Government were to pay for the land taken? Even in our country the cost of right of ways for highways is running far above all reasonable estimates due to 40-percent Federal matching for interstate highways. What conceivable incentive would there be for the Government to hold the price down rather than go whole hog and pay three or four times the current market value of property if we were picking up the check in foreign countries? If the property is purchased on the open market, no one can conceive of the extent to which land values will skyrocket.

What kind of agrarian reform are we talking about? There are only a few words dealing with it in the testimony. The chairman of the committee has pointed to the inadequacy of the record in regard to this point.

The so-called Dillon doctrine states it will tell these countries that the \$500 million is a starter, that it is only the beginning, and that we would like to know how they could spend our money. Here are some suggested ideas: Agrarian reform; loans, repayable in local currencies; social development. We say to them, "Write your own ticket. Here is \$500 million to start with." Can we imagine authorizing something of that sort for \$500 million, with no specifications at all?

The Senator from Alaska has said that we ought to have the same standards in authorizing foreign aid that we have for our own projects at home. Where would we be if a Senator from any of our States could rise and say he wanted \$100 million or \$300 million or \$500 million for a project in his State, without stating what the projects were, and without specifying them in any way and obtain the authorization?

Mr. GRUENING. Mr. President, will the Senator yield?

Mr. LONG of Louisiana. I yield.

Mr. GRUENING. The fact is that States cannot get worthwhile projects approved by this administration, even

when they are fully spelled out, such as resource development, antipollution control, flood control, and other programs. Those projects are labeled by the administration as wasteful and inflationary and as unbalancing the budget. But with respect to foreign countries, we give them a blank check for hundreds of millions, and even billions of dollars. We are told, "Don't question it. Give it without question."

Mr. LONG of Louisiana. There is a request for a \$500 million authorization, and a request to the foreign countries to write the program. We do not even know what the program is to be. They are to write the program. We ourselves have no fixed concept of what we are talking about in asking them to write a program for us. We have only the vaguest concept.

Mr. McCLELLAN. Mr. President, will the Senator yield?

Mr. LONG of Louisiana. I yield.

Mr. McCLELLAN. If the Senator will permit me to say so, there is no program. There is nothing we can approve. We are asked to authorize the spending of another half billion dollars. There is no program.

Mr. LONG of Louisiana. But we are going to these people and asking them to write the program. I heard the suggestion made that this program does not cost us anything. We are told that this is a sort of Madison Avenue advertising situation. We are led to believe that we are going to these countries and asking them to vote for us on the Cuban situation. We are trying to get votes. We say, "Here is \$500 million, which is our starting point. We know it will require a huge appropriation. We want you to tell us about a program, and here is what we are interested in: land reform."

What does that mean? That does not mean seizing the land and distributing it. That means that Uncle Sam is going to pay for the land at the price the country puts on it, and we will pay for it in dollars.

Mr. McCLELLAN. I notice in Mr. Dillon's statement that there are three purposes set out for this money. First there is an appropriation of \$500 million for a new social development program in Latin America. They do not have any program. This is to develop a program. There is no program before us. Number three authorizes \$100 million for further rehabilitation and assistance to the Republic of Chile. That may have some merit. I note immediately after that request that it is stated the administration has no intention to seek an appropriation during this session of Congress for either of the first two items.

Why not wait until January? In the meantime let a program be developed, so we can take a look at it.

I know of one instance which came to the attention of the investigating subcommittee of the Committee on Government Operations in connection with a project in Bolivia, under foreign aid, in which we have already built an irrigation system, but where there is no water. There are only a great many dry ditches down there.

Does it make sense that we do these things when our fiscal situation finds

us deeper in debt than the rest of the world put together? I cannot agree to it. I agree with the distinguished Senator from Alaska. I have many times taken the position, and I reiterate that position, that I am willing to examine these proposals, and I am willing to vote for some of them whenever a foreign spending program is put on a practical basis, under which there can be responsibility both upon Congress and upon those who administer the program—but first upon Congress to evaluate it, to have something concrete to evaluate, and to evaluate before approving it, as we do in our country with respect to a domestic public works project.

We take testimony about them. We examine into them. We must justify the projects. They go through a process which makes it reasonably certain that there is justification for projects before Congress appropriates the money.

We are not asked to make an appropriation now, but we are asked to approve an authorization which will commit this country at least to that extent, and which, as the Senator describes accurately—and we all know it from past experience, is the beginning of a multi-billion-dollar program. After we get started with such a program, we are told, "You cannot quit; you have to continue with it." Each year the expenditures will be increased.

Mr. President, I want to vote money to help the Chilean Government restore and rehabilitate its devastated area. I am perfectly willing to do that. But I shall not vote for an indefinite program. I shall not vote for a proposal which would require this country to be committed to another multibillion-dollar spending spree in South America. As much as I should like to help those countries economically, it will be necessary to make some concrete proposal. I shall not be a party to a blank-check expenditure commitment on the part of this Government.

I thank the Senator from Louisiana for yielding to me, so that I might make these comments. I think the Senator is rendering a great service by the remarks he is making.

Mr. LONG of Louisiana. Mr. President, by this vote, we shall also be voting on the extra \$100 million for the contingency fund. The \$100 million for the contingency fund has been sold to us as though that money has been used up in the Congo. We have not used 5 cents of the contingency fund in the Congo. We have not used a nickel of it. That is simply a Madison Avenue sales talk approach. There is talk about putting up \$5 million to be spent through the United Nations for a Congo program. It is conceded that the administration might want \$25 million. But they have not used any—not 5 cents of it. The whole contingency fund, of course, comes before us in connection with the mutual aid appropriation bill.

The cost of the airlift in the Congo has come out of the operational funds of the Air Force. As things stand now, it is covered under the operation of the Air Force, just as the Air Force would cover training operations. The foreign

aid program has not paid for any of the airlift in the Congo, and it does not need to, unless it is deemed to be desirable to have the foreign aid program share some of the expenses of the Air Force.

Do Senators want to know how the contingency fund has been used this year? France freed two colonies in Africa. Tunisia became independent, and Guinea became independent. When they became independent, they forfeited the economic aid which they got from France. That was the condition on which France turned them loose. The French Government said, in effect, "You can become independent; but if you become independent, you cannot expect to get the money France has been spending in your area."

Unfortunately, those countries found they needed some additional money. They missed the French aid.

So the United States Government was standing by. Without even consulting Congress, the Government rushed in to supply aid to those countries whose aid had been cut off by France when they became independent. This is supposed to be a contingency.

The administration saw an opportunity to give Poland an extra \$6 million, and it did. We gave agricultural commodities, made additional loans; we shipped Salk vaccine without payment. Those were supposed to be emergencies. In other words, we found an opportunity to persuade the Poles to accept more money from the United States; yet Poland has a Communist government.

Then it was found that Turkey wanted to have a stabilization program. Thank the merciful Lord we have a law through which this nation is prohibited from paying the national debt of other countries with our aid funds.

Our Government showed up with a new approach. It is called a stabilization program. A country can, in effect, reach out and buy up some of its currency with American dollars. That is stabilizing their currency. It is against the law to retire their national debt with American money. Congress outlawed that, finally, after we had retired \$2½ billion of the national debt of the countries who owed us more than \$2½ billion, we were told that we must stabilize their currency.

I suppose the largest items did not have anything to do with Taiwan or Korea. We saw, however, that Turkey had run up a deficit and wanted to have some contingency funds. So the Government wanted to supply Turkey with another \$32 million. That is the type of thing for which we are being asked to put up money.

We are told that 16 new African nations are expected to become independent this year. As fast as they are separated from the mother country, foreign aid programs are expected to be ready to go into effect for those countries. That being the case, we are supposed to provide an additional \$100 million to start foreign aid programs in those 16 countries, plus another \$500 million pump-priming operation to finance the beginning of what will be a multibillion-

dollar-a-year Latin American program, if the administration is successful in getting it started in Latin America. Once we begin to see what the pump looks like after it has been primed, we are in for a program that will make \$500 million per year look small.

Mr. GRUENING. Mr. President, will the Senator from Louisiana yield?

Mr. LONG of Louisiana. I yield.

Mr. GRUENING. Striking as the comments of the Senator from Louisiana are, he even understates the case. Not only do we rush in to pick up the tab as soon as countries become independent; we go in before they become independent. We have helped a number of colonies in this hemisphere, including British Guiana and Jamaica. We provided aid for the African colonies before they became independent. We were so willing to spend American dollars that we could not wait until the umbilical cord had been separated; we rushed in to help them.

Mr. LONG of Louisiana. In the West Indies, the country had not yet become independent when we were spending our contingency money. It was Mother Britain's problem to look after the West Indies; still we managed to get in with our foreign aid program. We had aided Great Britain to the extent of many billions of dollars and found that further aid could no longer be justified. But when the West Indies Federation moved toward self-government, we provided funds for its aid. When we were faced with all the problems of underdeveloped areas, during 1959, negotiations and studies were completed leading to the decision to provide \$400,000 for road-building equipment and vocational training. That was before the West Indies became independent. That was while they were still under the wing of Mother Britain.

Mr. Dillon says that we must have a substantial program ready for the West Indies because they will be independent this year, and there will be 16 new countries becoming independent in Africa.

We are supposed to provide this money without knowing what it will lead to or what we will be expected to provide in the future.

Mr. THURMOND. Mr. President, will the Senator yield?

Mr. LONG of Louisiana. I yield.

Mr. THURMOND. Mr. President, I commend the distinguished Senator from Louisiana on the argument he is making. I also commend the distinguished Senator from Arkansas [Mr. McCLELLAN], who just interrogated the Senator from Louisiana. I associate myself with the remarks of both Senators.

I should like to inquire of the Senator from Louisiana if the purpose of mutual assistance or foreign aid originally was not on the theory that it was mutual assistance from a national defense standpoint. Was not that the theory?

Mr. LONG of Louisiana. Yes.

Mr. THURMOND. The theory was that we would assist other countries, and in so doing we were helping to maintain freedom in this country and other countries.

Mr. LONG of Louisiana. That is correct.

Mr. THURMOND. Has not the program gone far beyond that and included social programs in the various countries, and also, apparently, an effort to buy friendship, which is impossible?

Mr. LONG of Louisiana. That is correct. The Senator knows that at the present time the U.S. Government is directing its activities against the Dominican Republic, more or less supporting the position of Venezuela and other countries. While I myself favor free elections, I also favor people being on our side. As between two dictators, I would much rather favor the one who is on the side of the United States than the one who is on the side of communism.

If I had to choose, for example, I would prefer Trujillo to Castro.

But what has been done in the Dominican Republic, in a great many cases, is the sort of thing that Mr. Dillon says these countries will not be able to do unless the United States picks up the tab for it. In other words, I am told that efforts have been made to improve the welfare of the rank-and-file of the people of that country—to do things to enable them to have better pay and better living conditions.

Mr. THURMOND. So, if we pass this bill, shall not we run the risk of losing the friendship of the 16 African countries that will participate in the program later on?

Mr. LONG of Louisiana. Yes.

Mr. THURMOND. And shall not we also run the risk of incurring very heavy financial obligations of our own?

Mr. LONG of Louisiana. Yes. Certainly there is no limit to what this program could cost.

The chairman of the committee has pointed out that we already have three very good programs in Latin America—those under the Export-Import Bank and the Development Loan Fund and the International Bank. Of course, many of those loans do not have to be paid back in U.S. currency.

Certainly I am willing to support a liberal program of aid to Central America and South America. But I think our program should include a guarantee that the program will be used in ways that will assure us that there will be tangible benefits to the people of those countries, and so that the undertakings will be mutual ones which we will share with those countries, so that the people of those countries will be doing their share.

Mr. THURMOND. And also to proceed in such a way that if an emergency develops, the people of the countries we aid will be on our side, not on the side of communism. Is not that important?

Mr. LONG of Louisiana. Yes. Certainly I think it fair to insist on such requirements.

But this proposal is for a \$600 million pump-priming operation; and my fear is that if we embark upon this authorization, we shall find that when the foreign aid bill comes before us next year, it will cost from \$1,500 million to \$2 billion more, because we are told, in

connection with the testimony regarding the program under this measure, that it is desired to institute land reforms and to provide almost all kinds of aid to the people of these Latin American countries.

Furthermore, under the proposal for the \$100 million authorization for the contingency fund, the 17 new African countries no doubt will be covered by an additional aid program the following year.

Mr. ERVIN. Mr. President, will the Senator from Louisiana yield at this point?

The PRESIDING OFFICER (Mr. Moss in the chair). Does the Senator from Louisiana yield to the Senator from North Carolina?

Mr. LONG of Louisiana. I yield.

Mr. ERVIN. Has our country made with these Latin American countries any agreement that they will contribute any definite parts of the funds to be loaned under this program?

Mr. LONG of Louisiana. They talk about this program being a "two-way street," but we have heard a great deal of talk of that sort before. However, it is important to know that in the testimony it was stated that these countries are unable to do anything for themselves. Mr. Dillon said that although much has been done heretofore in these countries, the people of these countries have not benefited thereby. Apparently if the millions of people of these countries are actually to be benefited, I assume that the United States will have to send some of its representatives there, to try to see to it that the millions of people in those countries actually are benefited by means of this program.

Mr. ERVIN. Let me ask the Senator from Louisiana whether Shakespeare's statement that "Neither a borrower nor a lender be; for loan oft loses both itself and friend," has lost its validity in these latter days?

Mr. LONG of Louisiana. Certainly it has not.

Mr. President, never before, to my knowledge, have we undertaken a tremendous program without having any specifics in regard to what the program would be. But this one amounts to an invitation to these foreign countries to write the program after the Congress makes the authorization.

The administration has asked us to make a \$500 million authorization, so it can say, at the forthcoming conference, "Here is an act of Congress which commits our country to carry out the program, and you can count on this \$500 million to begin with." In that event, the \$500 million would be regarded as an absolute promise by Congress to appropriate \$500 million; and then the administration would start to talk with these countries about large sums of money in addition. I believe it obvious that under these circumstances the people of those countries certainly would expect that to be the case, and certainly would expect that from us; otherwise they would think us the greatest four-flushers on this continent since the landing of Columbus. In short, this authorization would be only the starting point,

and the people of these countries would feel that we were obligated to take action which would enable our representatives to say that this \$500 million authorization by the Congress was only the starting point. And in that event, the people of these countries would expect more and more from us, after that.

Furthermore, the step now proposed would increase our grant-aid funds to be used in Latin America by \$500 million in a single year; and that would be only the starting point from which the program under this bill would proceed.

Mr. ERVIN. Is this an authorization to loan the money in connection with the Inter-American Bank, or is it an additional program, outside of that?

Mr. LONG of Louisiana. It is an additional program, in addition to the three programs our country already has established and is using for the aid of those countries. The Senator from North Carolina knows that the Export-Import Bank was for many years probably the soundest and the wisest and the best conceived, in many respects, and the most conservative program of all those we had for the giving of aid to those nations; and it was regarded as a great forward stride, when it was originally begun.

Then we came along with the International Development Association, and with the Development Loan Fund.

So we already have those three major programs; and for the most part they are loan programs, although many of the loans are in local currencies, as the Senator from North Carolina knows, with the result that the people receive the loan in the form of the local currencies which can be spent only in those countries, and cannot be used in the manner intended—in many cases.

At any rate, these programs already are tremendous in size.

I call attention to what the chairman of the committee himself has had to say about this situation. To a considerable degree he shares my doubts about this program, although the chairman differs from me in that, so far as I know, he has never voted against a foreign aid program.

But in his prepared statement, the chairman of the committee said:

Mr. President, I shall close these remarks in support of S. 3861 with what I hope will be two sobering thoughts. First, I hope that no one will be misled by this bill. None of its sponsors believe that the dangers in Latin America can be eliminated for the price of \$500 million. This \$500 million is just the beginning. No one can say how much money will ultimately be necessary. No one can say how long the job will take.

The chairman of the committee began his prepared statement—and he was kind enough to send me a copy of it—by pointing out that he personally felt somewhat saddened by the fact that there was so little in terms of specifics to indicate what in the world this authorization and this program would be used for.

Mr. ERVIN. I thank the Senator from Louisiana.

Mr. LONG of Louisiana. In fact, in his statement, which already has been

placed in the RECORD, the chairman of the committee said:

I also lack enthusiasm because of the vagueness of the proposal. No program has been presented to the committee. No details worth speaking of have been offered. There is no country breakdown.

Yet that is the basis upon which we are asked to embark on this multibillion-dollar program.

Mr. President, for those reasons, my conscience requires me to vote against this measure, because although personally I should like to see a soundly developed program for the development of the Latin American countries put into effect, yet in this instance we have no assurance at all about what the program would be, and we have no way at all to estimate either the cost of the program or its potential effectiveness.

Mr. GRUENING. Mr. President, will the Senator from Louisiana yield to me?

Mr. LONG of Louisiana. I yield.

Mr. GRUENING. Did the Senator from Louisiana observe that the distinguished chairman of the committee said:

Now at the 11th hour, as the last dying gasp of this administration, we have received a request for a special authorization for economic aid to Latin America.

However, this measure does not call for an appropriation; it requests only an authorization.

Would it be unreasonable for us to defer action until the new administration takes over in January, and then ask the State Department to come forward with something specific about how this initial \$500 million and how the subsequent large sums of money will be spent? Would that be unreasonable?

It seems to me it would be logical for us to postpone this proposed action, and to wait until the new administration took over—and we hope the new administration will be much sounder in its foreign aid program than the present administration has been, for the present administration has had a succession of failures and has lost Cuba.

We remember that in 1952 the Republicans charged the Democrats with having lost China. But the Republican administration has lost Cuba and the Monroe Doctrine, and that is a far more serious loss.

Yet it seems that it is now proposed by the administration that we permit the use of more of the same medicine—in other words, that because Cuba has “gone down the drain,” we must pour more millions and billions of dollars down the drain, but without knowing what the money will be used for.

I think such proposals fantastic. Certainly we should wait until the new administration comes into office and until we have some specifics in regard to what the proposed program will be and how the money will be used.

I am not opposed to aid to Latin America. I think it would be fine if we had a separate appropriation for the Chileans, who suffered a major disaster, whose homes were destroyed so that many of them are homeless. If this were an appropriation bill—which it is not—for \$20 or \$25 million for the Chileans, I would be happy to vote

for it. But in the case of Chile, it is not that. It is an authorization. There are thousands of homeless people there. Yet the administration does not ask for an appropriation; it wants a general authorization. I do not see how anyone can conscientiously vote for the bill under the circumstances. I know I cannot.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. LONG of Louisiana. I yield.

Mr. MANSFIELD. I think what the Senator from Alaska and the Senator from Louisiana have said needs clarification, if at all possible. In the first place, we have never had Cuba to lose, any more than we had China to lose. We did not lose those countries. But what we have to be fearful of is the effect of the Cuban revolution on the rest of Latin America, because whereas in the days of the Spanish civil war there originated the “fifth column,” what we have in Latin America, and even in our own country today, is what might be called the “Castro column.” These columns are in there because they are working on the wants, needs, and deprivations of these people. It is because of these columns and those facts—and Senators should not fool themselves that the Communists are not taking full advantage of what is happening—that this program is before us.

The distinguished chairman of the Foreign Relations Committee brought to the attention of the Senate this afternoon some of his feelings on this matter. He does not feel wholeheartedly in favor of a program of this kind. He realizes there are many questions, some of which have been raised by the Senator from Louisiana, which must be raised. But, what we have coming up on September 5 is the meeting of the economic ministers of the American states in Bogotá. We are going there with our evidence of good intentions, not to put down the money, but, on a cooperative basis, collectively and together, to try to work out programs which we have tried to develop on a guideline basis in a resolution which is incorporated in the legislation before us, and which has been reinforced because of the action by the chairman of the Foreign Relations Committee, and unanimously agreed to by all of the members, when this matter was discussed, in which it was stated, after the authorization was considered:

Subject to such further legislation provisions as may be enacted, in addition to other funds available for such purposes on such terms and conditions as he may specify, the Secretary of State shall keep the Committee on Foreign Relations of the Senate and the Committee on Foreign Affairs of the House currently informed about plans and programs for the utilization of such funds.

I do not think anyone can find a stronger measure than the kind which was reported out of the committee unanimously Tuesday.

It is true that it is late, but certainly it is also true the need is great and, collectively, if the Americans do not get together, the cost we are going to pay is going to be a lot more in the long run.

I think, despite any misgivings we may have—and I am sure we all have some—

we must face up to this problem, and give this earnest of our intentions to the American who will represent us in Bogotá on September 5, and then collectively and together, for the first time, perhaps, try to work out a program for the Americas that will benefit and give succor to the people who need it, and which need is being recognized for the first time.

Mr. LONG of Louisiana. Mr. President, the difference between my view and that of the Senator from Montana is that my feeling is an authorization bill of this sort should be the result of negotiations between this nation and the many nations who propose to help, and upon which we would come up with a tangible program, and that when we authorize something, we ought to be able to look at it, country by country, and see how much we expect to spend, and the nature of the projects we would finance with this \$500 million. But to just go there, as the bill provides, with an authorization of \$500 million, just to show them we want the program to be big and that, by all means, do not let it be inexpensive, and, by all means, show it is not going to be inexpensive, before we conduct negotiations, before we arrive at the programs we want—I do not propose to vote for any authorization of that kind.

Even in foreign aid, generous as we have been, except with some of our liberality in the contingency fund, we have not gone that far. We start now by saying, “Here is a \$500 million authorization. We want you people to know we propose to be liberal. We are not going to be fourflushers. We are going to draw up a big program.” The only reason I can see for it is to encourage these people into believing this is going to be a tremendous program. Then when requests come up for appropriations for the programs, after we start by saying we propose to increase the programs there by 1,000 percent, I suppose we will have to increase it much more in future years.

We have the word of the committee chairman on this. He expresses a heavy heart on this subject in bringing this bill before us. He says this \$500 million is just a beginning; no one can say how much money will ultimately be necessary; no one can say how long the job will take.

He could have added, “No one really knows what the job will be.”

Mr. TALMADGE. Mr. President, will the Senator yield?

Mr. LONG of Louisiana. I yield.

Mr. TALMADGE. Does the Senator doubt that we will get the countries to accept this money?

Mr. LONG of Louisiana. I would be greatly surprised if we found a single one that would not be a taker.

As I read the Dillon declaration, it says, “If you want land reform, we are prepared to suggest to you that we will bring American dollars to pay for all that land. You let the landlords fix their prices and we will let them pay.”

When we did not expect roads under the highway program to cost \$700,000 a mile, and never dreamed that it would cost that much through farmland we

found that when there is 90 percent Federal participation and 10 percent State participation, it results in fiscal irresponsibility.

We are saying, "You governments down there have a way of operating so that the national income is not right. The rich people get all the money and the masses get very little. We are going to fix that."

Those now getting all the money and controlling the government down there are not going to propose to share what they are getting with those of whom they have thought so little that they are not sharing it now. Do Senators think we will get some of the wealthy politicians and landowners to take their share and permit it to trickle down to the poor people? If that is what is being proposed, imagine what the land reform program will cost.

Mr. TALMADGE. Mr. President, will the Senator yield?

Mr. LONG of Louisiana. This is the suggestion that there should be a land reform program for every nation south of our borders, a thing which those nations can do for themselves.

I yield to the Senator from Georgia.

Mr. TALMADGE. Would the Senator object to having the State of Louisiana made entitled to come under the provisions of such an act?

Mr. LONG of Louisiana. I must say that this would be a fine thing in Louisiana. Then some of the money would go for the benefit of the people of our State. We would say, "You people set up a program. We will pay for it." They would say, "We would like to have some small farms. We will buy the land from the big farmers." That would be particularly true, if the big farmers controlled the State. Then they could say, "Parcel it out. Let the little fellows settle on the land." We can imagine the prices the farmers would charge.

Mr. TALMADGE. Does the Senator think that any Senator from any of the 50 States of the Union who advocated such a program for his State would have any success in getting the Senate to adopt it?

Mr. LONG of Louisiana. He would have no success whatever, particularly if he had nothing specific in mind, but merely said, "This is the type of thing I have in mind," without knowing what the cost of it will be or anything else.

Mr. TALMADGE. Does the Senator think it is the obligation of the taxpayers of America, and of their children and grandchildren for many generations in the future, to assume burdens and obligations for other countries which they would not assume for themselves?

Mr. LONG of Louisiana. No; I do not. To me it is fantastic that we should say to those people, "We want to aid the countries of South America. We are so eager to get an aid program going that we will give you a blank check. You people tell us what you want to do. If you want to build community facilities, if you want to redistribute the land at our expense, you can do it. You can do anything you wish which will improve the living standards and improve the welfare of the people of your country, at our cost."

There is one thing which we must keep in mind. This program is proposed as an answer to the successful revolution in Cuba by Mr. Castro. Despite that, this Government never used its influence to prevent Mr. Castro from winning that revolution.

I notice that the Senators from Florida are in the Chamber. Those Senators know as well as I do that meetings were being held, to which the public was invited, in many parts of Florida, for the purpose of helping to raise money to finance the revolution. This Nation cut off aid to Batista, and contributed to his downfall.

There is information in the files of the U.S. Government which placed this Government on warning that Castro was a Communist. It was known that Castro's brother was a Moscow-trained Communist. "Che" Guevara, the next man, was the man who organized the revolutionary Communist regime which took charge in Guatemala under Arbenz. We had every indication that this would be a Communist government, and we did not use our influence in any respect. Quite to the contrary, we permitted the American people blindly to give their money, ignorant of the facts that the State Department had information available to it to show that it was a Communist regime which was taking over.

Mr. SMATHERS. Mr. President, will the Senator yield?

Mr. LONG of Louisiana. I yield to the Senator from Florida.

Mr. SMATHERS. Has it not been shown that the Ambassador who succeeded Mr. Gardner—Earl Smith, from the State of Florida—was told by the State Department to tell Mr. Batista that the time had come for him to get out, and that the United States no longer approved of him? There is much reason to believe it was upon the basis of that conversation that Batista finally decided to flee the country, and then of course the country was turned over to Castro. Not only did we not use our influence, as the Senator indicated, to stop Castro from taking over, but, on the contrary, we used our influence to help him get into office.

I think it is fair to say that few people knew at that time that Castro was a Communist. Many felt he was a Communist. The Senator from Florida and I believe that the Senator from Louisiana were two of those who warned the people not to take Castro at his face value. For those statements we were condemned very severely by the press and by the State Department, and many stories written about us were put out by the State Department.

Mr. LONG of Louisiana. The point I wish to make about this whole idea of spending all this money for economic aid, by which we are supposed to keep these countries from going Communist, is this: The American Sugar Act was a generous foreign-aid program for Cuba. It was one of our oldest foreign-aid programs. That was a \$150 million a year subsidy. Of course, that aid went to a government which had the same shortcomings Mr. Dillon criticized. This was a government under which the few got the in-

come and the many received very little. There was a need for reform. There was a need for an honest, sincere revolution devoted to the welfare of the people in a country of that sort, if the people could not achieve any change by democratic elections. It appeared to be impossible, in many such countries, for that to be done.

There was a \$150 million a year economic-aid program for the country of Cuba, which had about 6 million people. That is a fantastic economic-aid program. If we tried to provide aid for Latin America on the same scale as we have been aiding Cuba, it would take the entire budget of the U.S. Government to do it. That is the kind of thing we had working for Cuba, yet the country still went Communist.

When we say, "We will provide for these same governments, for these same people, when the government shows no indication of bettering the welfare of the masses, a huge amount of money, literally pouring our money in," I have one question which I should like to ask. That question is, "How do we propose to give assurance that this aid of ours is going to trickle down to the people?" There is not the first indication that that will be done. Time and time again I have tried to pin down Mr. Dillon, and others, about why there was no effort to make this program work for the people of the country, for the benefit of those for whom it is intended rather than starting it with the trickle down program, which for some reason never trickled down.

Mr. MANSFIELD. Mr. President, will the Senator yield, in response to the question he has raised?

Mr. LONG of Louisiana. I yield.

Mr. MANSFIELD. I point out that in the last several months a \$2 million loan has been made by our Government to the Government of Peru, for the purpose, through mutual savings banks, of building low-cost housing for the people of that country. Following that, a few weeks ago, a \$53 million line of credit was extended to the Government of Peru for the purpose of transporting some of the people who are living on the edge of starvation, hunger, and poverty across the Andes into the fertile valley areas bordering on the Amazon. It appears to me that these are two innovations which are not being forced by us, but which are being done jointly with the government in question. I think the Premier of Peru, Perdo Beltran, and the Peruvian Government are to be commended for doing this in the interest of the people. I believe we are entitled to a little credit for extending a line of credit to Mr. Beltran, so that he can bring better housing to a certain segment of the population, and better means of transportation of the people to more productive areas, on a payment basis.

Those are two things which I think are envisaged in the Dillon declaration as laid down before the committee, as has been mentioned. Those are two tangible things.

Mr. LONG of Louisiana. At a minimum, there should be some standards in this program to assure that the people will get the benefit.

Mr. MANSFIELD. The Senator is absolutely correct.

Mr. LONG of Louisiana. We should not say, "Here is all the money. Go ahead and take it."

Mr. SMATHERS. Mr. President, will the Senator yield?

Mr. LONG of Louisiana. I am ready to yield the floor, if the Senator would like to have me do so.

Mr. SMATHERS. Before the Senator yields the floor, I should like to ask another question.

As the Senator well knows, our Government exercised a great deal of influence to get the government of Batista out, and the government of Castro in. I am no defender of Batista. He was a dictator. But I am sure the Senator would agree it is now well established that the government of Fidel Castro is completely Communist dominated. Because of that fact, many exiles have had to leave Cuba. They have come to the shores of Florida and to other places. When those exiles seek to have meetings to find ways and means of returning to Cuba and of recapturing their homeland, the U.S. Government certainly should not hire an additional 180 border patrolmen and immigration authorities to break up the meetings of exiled Cubans who want to recapture their country and establish democracy in Cuba.

Would the Senator not agree that is a poor use of our funds and the influence of the U.S. Government?

Mr. LONG of Louisiana. The Senator is saying that we are spending our money to make Castro more secure, yet we were willing to move Batista out.

Mr. SMATHERS. Whether we admit it or not, we are using our own governmental agencies and are spending the taxpayers' money on this task. We are making it possible for Castro and for his government to stay in control of Cuba.

This is ridiculous. I have suggested that, but without success.

Mr. LONG of Louisiana. I thank the Senator.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from Idaho is recognized.

Mr. DWORSHAK. Mr. President, when the bill was ordered to a third reading I advised the majority leader that I desired to ask a few questions of the chairman of the committee so that we might have a clarification of the authorization.

Mr. President, I will make my comments brief leading up to a question.

In the report, reference is made to the need of using a concerted approach to social development comparable to the effort expended in the purely economic field; and then the report states:

In this latter regard, the United States has not been backward in making capital and resources available to its friends in Latin America. Beyond direct private investment there of approximately \$9 billion, the U.S. Government has extended economic assistance to Latin America totaling about \$3.8 billion in the period between fiscal years 1946 and 1960. At the same time almost \$2.5 billion of the latter sum represents long-term, Export-Import Bank loans repayable in dollars.

I wish to point out that recently we have had some Latin-American development under the so-called Development Loan Fund in the ICA. We had testimony by Under Secretary Dillon before our Appropriations Committee recently, indicating that there should be \$150 million added to the House figure of \$550 million. Of course, that is exactly what the Appropriations Committee did this morning, presumably because it was necessary to accelerate and expand our aid under the Development Loan Program to Latin American countries.

I recall earlier in this session that we voted for an authorization to enable the United States to participate in the Inter-American Development Bank. Under that program, the United States committed itself to make available \$450 million, and it has already advanced a large share of that sum. We now have this third or fourth proposal to establish a new program, and I should like to direct the question to the chairman of the committee as to whether there is any justification for setting up this proposed new program.

Wherein does it differ from the Development Loan Fund and from the Inter-American Development Bank? Do we need another program in order to find ways and means of expanding Federal spending in Latin American countries? We have a high regard for the economic and political welfare of the countries in Latin America, but I wonder whether we can justify proceeding at this time with another program when we already have adequate facilities and machinery to make all the funds available that nations in South America may need. Can the chairman tell us why it is necessary to undertake another program at this time?

Mr. FULBRIGHT. In answer to the question I may say that administration officials stated that they do not anticipate setting up new machinery or agencies. The requested funds will be an addition to funds to be administered by existing agencies. I stated in my speech that the Inter-American Development Bank—which is to commence operations on October 1—is probably the agency which will be mainly utilized.

The requested funds are an additional amount of money for purposes that are similar, but not precisely the same, to those that are envisioned by the Development Loan Fund and portions of our mutual assistance program.

I will say in answer, not only to the question of the Senator from Idaho but to some of the other remarks that have been made, that it is obvious we are confronted with a problem generally political in character. What is the alternative to our doing something in this area? I am certain that the administration is very anxious to have these funds because they have been greatly disturbed by what has happened in Cuba. I ask the Senator if he is willing to take the responsibility of rejecting the proposed program. What he would say if, for example, Russia next week extended a loan to Brazil or to Argentina and began the usual process of the subversion of those countries. Would

he then complain that we had not done anything to prevent such an occurrence, or would he be willing to accept that contingency?

Mr. DWORSHAK. The Senator from Idaho would refer to the programs sponsored by the Export-Import Bank and the additional \$150 million which was added today to the appropriation bill for the Development Loan Fund in ICA, and I would refer to the newly organized Inter-American Development Bank, through which we are committed already to spend almost another \$500 million. Have we utilized those resources in an honest, sincere effort to see whether that program will be adequate to the development needs of the Latin American countries? Why must we have to undertake another one before we have tried out the ones we have already set up?

I do not think we ought to be so pessimistic that we should look into the future and forecast dire failure for those preceding programs and say that we must have another one. Perhaps early in the next session we may come in and ask for a fourth or fifth program. On that basis I am sure the chairman of the Committee on Foreign Relations would agree with me we could not justify any measure of cooperation on the part of the Latin American countries, primarily because we will repeat the mistake which we have made in the foreign aid program during the past decade by refusing to insist upon full mutual participation by the countries which are beneficiaries of the billions of dollars of foreign aid which we have spent. That is my retort.

Mr. FULBRIGHT. It is not up to me to attempt to justify the efficiency of the administration of all these programs. Let us remember the complaint that has been made time and again about China, for example, that we did not do what we should have in that country. It may be that we are confronted with a possibility of a similar situation in Latin America; I dare say if we did not do anything, or did not do enough in Latin America, we would have a similar situation.

I think this is a part of the overall struggle against the Communist world as it attempts to gain a dominant influence in Latin America, as are these other programs as they are applied in Asia or Africa. That is what is ultimately involved in this program. It is part of the free world's effort to prevent the countries affected from collapsing and becoming subject to Communist domination.

There is an economic interest in seeing that our neighboring countries are prosperous. We hope they become prosperous and thereby insure that they remain part of the trading and economic area of the free world. But I say that the dominant interest, at least as to the urgency of the program, is the threat of chaos in some of these countries. These may become so weak as to be unable to maintain a stable government and their own independence, and may thus fall subject to Communist influence.

Mr. DWORSHAK. I wish to thank the chairman for that explanation. I agree with him in part that we are concerned about the stability of governments in Latin America and their economic solidarity. At the same time I question whether we can pursue policies which prove to be failures in other areas, and set up a program that calls for a very small measure of cooperation.

Mr. FULBRIGHT. I share the feeling of regret of the Senator from Idaho about the efficiency of this administration. I agree with that. But it is the only administration we have, and as of the moment, at least, we must cooperate with it.

I am unwilling to say, because we have done this or that in other areas, that we should no longer help a country. Certain of those countries are confronted with an emergency situation because of what we know has already happened. It has been very well described here. Representatives of those nations are going to a conference. I think it is too bad that they do not have sufficient strength that they can negotiate without the requested authorization.

In the committee we tried to interest representatives of the administration to accept a resolution that stated we would welcome their development of a cooperative program; we would give it sympathetic consideration when it was returned to us. However, the administration said, "No, we have got to have the authorization." Administration officials insisted on it.

I myself introduced an alternative resolution somewhat similar to that of the Senator from Montana, with a little stronger language perhaps.

The administration representative said, "No, that is not enough." They did not say the following, but my interpretation of what they did say is: "They won't believe us if we go down there. We have given promises so often that if we go down there with nothing but words or promises, they will not believe us and will not do anything. Therefore, we must have the authorization."

Mr. DWORSHAK. Have the countries in question not had more than promises in the past?

Mr. FULBRIGHT. They have had many promises that have not been fulfilled. I do not wish to minimize the money that they have received. I stated in my speech what they have obtained. They have had economic assistance under the mutual security program since 1946 in the amount of \$536,800,000.

Mr. SMATHERS. Mr. President, will the Senator yield?

Mr. FULBRIGHT. It is a very large amount.

Mr. SMATHERS. It is 1½ percent of the total mutual aid program.

Mr. FULBRIGHT. That is only mutual aid. I would be willing to put the table I have prepared in the RECORD, if the Senator would like me to do so. It shows what has been done under the Development Loan Fund, under Public Law 480, and so on. The grand total is shown in the table. I may say to the Senator that during that period the total amount in loans including long-term

loans—some of which are in the process of being repaid to the Export-Import Bank, and most of which are current loans—is \$2,455,600,000. The grand total of the economic aid program, including these loans, is \$3,791 million.

Mr. DWORSHAK. I should like to direct another question to the chairman, for clarification.

Mr. FULBRIGHT. I have only one other thought. What would be the impact on our defense program if those countries were Communist, if they fell under communism? It would cost us a great deal more if that were to happen. Would the Senator be any more nervous about that situation?

Mr. DWORSHAK. I certainly would be nervous. The United States has rendered exceptional financial aid to Cuba. Notwithstanding that aid and our friendly spirit and cooperation, we did not save Cuba. I wonder sometimes if it is fair to draw the inference that unless we go into other Latin American countries, on a basis that might be construed as involving bribery, in order to get them to stand by our side against Communist aggression, they will go Communist. I have more confidence in the Latin American Republics than to think that they must constantly have access to our American dollars or they will desert our leadership of the free nations of the world.

Mr. FULBRIGHT. I do not believe that dollars alone can solve the problem. It involves wisdom and planning and foresight. Those are far more important than dollars. We must do the best we can.

Mr. DWORSHAK. The other question I would like to ask the chairman is this: Are any safeguards placed upon the use of the \$100 million which is to be authorized for the President's Emergency Fund? Before the Senator answers that question I should like to point out that there is some apprehension on the part of some members of the Committee on Appropriations in that respect. We held hearings and we heard Under Secretary Dillon testify that this money was needed specifically to go into Africa, to bail out some of the countries in the Congo. That may be fine. However, I share the apprehension expressed by the junior Senator from Louisiana [Mr. Long]. Do we go into this program with our eyes open?

Some members of our committee inquired of Secretary Dillon as to whether we shall continue to make blunders in the handling of our foreign aid programs, on a unilateral or bilateral basis, or whether we will profit by those blunders and experiences and, before we go pell-mell into the African areas with this program, whether we will insist on knowing whether we shall have some cooperation and aid from the other free nations of the world, and whether there will be an effort made to channel some of the aid through the United Nations, so that when the programs are initiated in Africa they will have the prestige and the strength of all the free nations who are participating or making funds available, instead of placing the United States in the precarious position

of undertaking the aid program under so-called emergency conditions, under which mistakes might be made, with hostility and unfriendliness developing, and finally censure being heaped upon our Government and upon the American people, as has happened in the past.

Secretary Dillon made this comment before our committee, in trying to give us some assurance on this point:

Certainly in the Congo we wish to operate through the U.N. That is what we told Mr. Lumumba when he was here, and that is what we told the United Nations.

I should like to have some specific assurances, if the chairman can give me any, that we will try to make cooperative arrangements and develop a mutual program of aid for the countries in Africa, instead of initiating a program which will involve a commitment for the United States to carry the full financial burden in trying to develop areas of Africa which may require many billions of dollars and may require 10 or 20 years time.

Has the committee any assurance so far as the \$100 million are concerned that we can rely on the cooperation of the other free nations?

Mr. FULBRIGHT. Is the Senator referring to the contingency fund?

Mr. DWORSHAK. The \$100 million fund.

Mr. FULBRIGHT. So far as the United Nations participation is concerned, the Appropriation Committee placed a limitation in its action this morning that not more than 40 percent of the program administered by the United Nations will be paid for by the United States. In other words, it was provided that we would pay not more than 40 percent. I must emphasize that this fund is a contingency fund. It may be spent at the discretion of the President. He can use it. He does not have to use the United Nations, but may use it through the United Nations.

I am told it is the intention to use it so far as possible through the United Nations. That is the policy. There is no requirement under the authorization to do so. He may use it under the very broad authority that exists in the mutual security program, with which I know the Senator is familiar.

Mr. DWORSHAK. I can assure the Senator that my remarks are wholly impersonal, because the present occupant of the White House will not be there after January. Another person will serve as President. Then we will face this entire situation again. Therefore, I ask the chairman if he is in accord with the comments made by Under Secretary Dillon that we ought to explore all possibilities to insure the assistance of other countries, instead of undertaking this loan.

Mr. FULBRIGHT. Absolutely. I must say in support of Mr. Dillon that he has made great efforts in recent months and in the past year or two to enlist the efforts of other countries. He did a fine job in Europe last spring in trying to develop among European nations a new approach to the program, and in enlisting their assistance. I point out that in

the Inter-American Bank the other countries give more than 50 percent, and our part is less than 50 percent.

Mr. DWORSHAK. There is no legislative safeguard provided which will require assistance from the other countries through the operation of the U.N. in the handling of this program?

Mr. FULBRIGHT. There is no requirement that I know of. In the normal appropriations for the U.N. we have certain limits that we abide by. However, this program will be what we call a special undertaking, of an emergency nature. We have already provided the major part of the transportation of the U.N. troops to the Congo.

Mr. CASE of South Dakota. Mr. President, will the Senator yield?

Mr. DWORSHAK. I yield.

Mr. CASE of South Dakota. I wish to address my question to the Senator from Idaho. Before I do so, I wish to say this.

I admire his concern to see that we get some results for the money we spend on these programs. It has been my observation that the best policeman we can have in connection with the expenditure of money in foreign aid is a requirement that a country which is to be the beneficiary of a project or a program itself bear a part of the cost of the particular project—a sponsor's contribution, so to speak.

The Senator from Idaho will recall that in the days of the WPA and the PWA there was a requirement for a sponsor's contribution. That was the best guarantee we could get that a project would have value to it.

I was a member of the House Committee on Appropriations, as was the Senator from Idaho, at the time the Marshall plan was inaugurated. At that time I sponsored a proposal that a certain amount should be put up by a recipient country under the original Marshall plan program. Later we were told by those who administered what became the ECA program that that was a good policeman. I hope something like that may be incorporated in all new programs.

This is the question I wanted to ask the Senator from Idaho: Does he not believe, with respect to the Latin American countries, that the United States, by reason of its historical position with respect to the Monroe Doctrine, has a special obligation? That is, if we tell countries in the Eastern Hemisphere that they must stay out of the Western Hemisphere, that statement carries with it some obligation for us to be concerned about the economic and social problems of Latin America.

Mr. DWORSHAK. I agree fully with the Senator from South Dakota. I point to my vote in favor of establishing an inter-American Development Bank. I thought this country was obligated to cooperate in establishing stability and solidarity in those areas to enable them to withstand the economic pressures which might come from the Soviet Union and its satellite countries.

My point is, Why should we have to undertake another program until we have implemented the first one?

Mr. CASE of South Dakota. I presume the loan program does not meet

the whole need, and the administration wants a program in which it can make some grants. I myself hope they will be grants which will carry with them the requirement of local participation by the recipient countries, in order that we may have the guarantee that those countries themselves regard the program as worthwhile.

Mr. DWORSHAK. I agree with the Senator from South Dakota, because only in that way can we insure the success of any program we undertake for the economic welfare of the South American countries.

Mr. GRUENING. Mr. President, will the Senator from Idaho yield?

Mr. DWORSHAK. I yield to the Senator from Alaska.

Mr. GRUENING. I should like to ask the distinguished chairman of the Committee on Foreign Relations a question, relating to his answer to the Senator from Idaho, about how we would feel if we did not vote this aid, and shortly afterward the Soviet Government made a loan to some Latin American country, and then moved in. Did the Russian Government make any loan to Castro or move in there visibly and financially before the Castro government went Communist?

Actually, the United States had been subsidizing Cuba to the tune of \$150 million annually through our sugar program. Nevertheless, the Castro government went Communist without any apparent or visible financial advance on the part of the Russians. What evidence is there that if we spend our money in Latin American countries, it will be a guarantee of the exclusion of Communist infiltration? There was nothing in Cuba to prove that that would not happen.

Mr. FULBRIGHT. There is no guarantee at all. We do not profess that there is a guarantee. This is an effort to try to prevent such a thing from happening. There were Russian agents in Cuba. A brother of Mr. Castro is generally believed to be a trained Communist. Mr. Guevara, who is the head of Cuba's financial institution and the principal economic director of the island, is considered to be a thoroughgoing Communist.

I said a moment ago that I do not think we can accomplish this purpose by money alone. I think other things are required. The Russians have been very active in supporting, assisting, and sending out trained agents. They were in Guatemala; they are in Cuba. They are in all those countries. They have their cells, or their agents, if that word is preferred, in practically every country. Russia has moved in to supply those countries with oil. They have made a big deal to trade with sugar. The Senator knows about that.

Mr. GRUENING. Yes; surely.

Mr. FULBRIGHT. Usually the operation is preceded by agents, followed by money. It is easier to write a check than it is to send out people.

Mr. GRUENING. Would we not earn great respect from the Latin American nations and the good opinion of mankind if, for our own self-respect, we announced at the coming meeting that

we intended to develop a program, and took the time to spell out the program, and put it down, more or less, in black and white after consultation with those countries as to what they needed; after consultation with the appropriate committees of Congress; and after consultation with the appropriate loan agencies, instead of rushing in with a blank check for \$500 million? The proposal which is before us is fantastic.

Mr. FULBRIGHT. Our committee last year advocated a 5-year plan, and it was voted by the committee. Due to circumstances, which all of us know about, it failed to pass. Congress bears a part of the responsibility, due to the fact that the program has been conducted on an annual basis. The administration also bears a part of the responsibility. The administration was split on the question. In my judgment, the Department of State favored such a long-term program and promoted it. Other parts of the Government did not favor it. The Appropriations Committees, particularly the House Appropriations Committee, have been against it. They disapprove of long-term programs.

There is a great body of opinion in both Houses which had hoped that we might get rid of this program next year. Some of us have been willing to put it on a longer term basis. However, others have been unwilling even to support many suggestions as to how to improve the program, in the belief that it could be abandoned. I do not believe the country or Congress has ever accepted the idea that this is a long-term program. This is a long-term program. It will be with us for a long time; therefore, we should make provision for it. I agree with the Senator from Alaska that that is the way the program should be arranged. But as it has been handled, it has been on an annual basis.

We are also confronted with what the administration believes is an emergency situation; and I share in that belief. This is no time to go over all the mistakes of the past made by any administration. I think we are confronted with a demand by the administration which is justified by events which are now taking place, regardless of any faults or mistakes which may have been made in the past.

Mr. GRUENING. I thank the Senator from Arkansas.

Mr. DWORSHAK. Mr. President, I yield the floor.

Mr. YARBOROUGH. Mr. President—

Mr. DIRKSEN. Mr. President, it seems to me that this subject has been discussed at great length. I wonder if we cannot conclude upon a time arrangement for voting.

How long does the Senator from Texas expect to speak?

Mr. YARBOROUGH. Not more than 5 minutes. I call attention to the fact that my name has been before the Presiding Officer for more than an hour. One Senator after another asked questions. One Senator would rise, and another would sit down. There was really a roundtable discussion. So I shall take not more than 5 minutes.

Mr. DIRKSEN. Mr. President, I ask unanimous consent that after 10 minutes—the 10 minutes to be equally divided between the minority and the majority—the Senate proceed to vote, because the yeas and nays have been ordered on both bills.

Mr. PROXMIRE. Mr. President, reserving the right to object, I also have been waiting for more than an hour. I think I can conclude everything I wish to say in about 6 minutes. But I would want 6 minutes before I would agree to the proposal of the Senator from Illinois.

Mr. SMATHERS. Mr. President, reserving the right to object, I have been waiting exactly 56 minutes. I think I shall not speak as long as the Senator from Wisconsin expects to speak. I shall conclude my remarks in 4½ minutes.

Mr. DIRKSEN. Mr. President, I ask unanimous consent that the debate be concluded in 15 minutes, 10 minutes to be allotted to the majority side, and 5 minutes to the minority side.

Mr. SMATHERS. After we have spoken?

Mr. DIRKSEN. I am simply trying to arrange a time pattern, so that the Senator from Florida may speak for 4½ minutes.

Mr. FULBRIGHT. Fifteen and one-half minutes have already been requested.

Mr. DIRKSEN. Mr. President, I ask unanimous consent that at the end of 20 minutes of discussion, the debate on the measures be concluded, and that the Senate then vote; the time for the debate to be apportioned among Senators who have sought recognition, namely, the distinguished Senator from Florida [Mr. SMATHERS], the distinguished Senator from Wisconsin [Mr. PROXMIRE], the distinguished Senator from Texas [Mr. YARBOROUGH]—and what about the distinguished Senator from Alaska?

Mr. GRUENING. Mr. President, reserving the right to object, I think it is fantastic that we should now pile Ossa upon Pelion and proceed to vote a blank check with no specifications whatsoever on the ground that it will be useful down at Bogotá and will enable our Nation to say, "We come bearing gifts."

I think the word of the United States that we have this program in mind should be sufficient; that when the new administration takes office, when there we can hope for a far more intelligent and better managed foreign aid program, we could sit down and arrange a series of programs for Latin America which can be presented to Congress and then voted upon intelligently.

Congress has abdicated its constitutional powers for a number of years with respect to the foreign aid program. It has voted blank checks to the administration for foreign aid. Now it is proposing to move headlong in the same direction, only more rapidly.

We are going down hill with a vertiginous rapidity.

I recall very clearly that in his very eloquent speech to the Senate last night, the distinguished minority leader, the Senator from Illinois [Mr. DIRKSEN], said that the people of America under-

stand what was meant when on sacred parchments it was written: "Remove not the ancient landmarks which your fathers have set."

But that is what would be done by means of the measures now before us.

Mr. DIRKSEN. Mr. President, will the Senator from Alaska yield?

The PRESIDING OFFICER (Mr. BARTLETT in the chair). Does the Senator from Alaska yield to the Senator from Illinois?

Mr. GRUENING. I yield.

Mr. DIRKSEN. Let me confess frankly that never before have I encountered the word "vertiginous." Will the Senator from Alaska be so kind as to inform me the meaning of the word? [Laughter.]

Mr. GRUENING. It means headlong, precipitous and catastrophic.

Mr. DIRKSEN. Never before have I heard the word used.

But, Mr. President, it seems to me that in view of the lengthy debate which already has occurred on these measures, it would be entirely proper for the distinguished Senator from Alaska to defer his additional remarks until tomorrow, and permit the Senate to vote now on these 2 measures. In that event, he could reserve for himself the right to speak further on these matters tomorrow, but we would be able to take the vote on these measures at this time.

But such an arrangement would not curtail the right or the opportunity of the distinguished Senator from Alaska to manifest his position on these matters so that not only the people in the frozen State of Alaska, but people throughout the whole wide world would understand how he feels about these matters.

Mr. GRUENING. But more than the matter of foreign aid is involved. In addition, there is the unmistakable fact that this administration has followed a double standard—it has refused the necessary domestic appropriations at the same time that it has requested blank check appropriations for use in foreign countries. If the Congress would adopt, in regard to domestic matters, a policy of making appropriations, and insisting on them, in line with the appropriations for foreign aid, that would be different. But so very, very often when Congress attempts to make even a small appropriation for an essential domestic purpose, the administration is opposed, and vetoes are forthcoming; yet the administration insists that blank check funds be provided for foreign aid, for all sorts of programs of the utmost generosity, insofar as the people in other lands are concerned.

If a more reasonable balance were demonstrated and maintained as between domestic programs and foreign programs, I would have less objection. But we find that regularly the administration opposes domestic programs to reduce or end the pollution of streams, to provide aid to education, to provide essential or public housing, to provide vital public works, the orderly development of our forests, needed highways, the rehabilitation of our fishing resources and so forth; and representatives of the

administration tell us that such programs and the appropriations for them are unnecessary. Yet the administration tells us, at the same time, that insofar as foreign aid is concerned, the sky is the limit. For instance, in this case, we are not given any specifics in regard to how the money requested would be used.

Mr. DIRKSEN. Mr. President, I suggest to my distinguished friend, the Senator from Alaska, that when the roll is called, he indulge in a loud "No," that would be heard all the way to Juneau, Anchorage, and Fairbanks.

Mr. GRUENING. But I do not think this program calls for only a monosyllabic dissent. I think it calls for much more than that.

Mr. DIRKSEN. Mr. President, has not my friend, the Senator from Alaska, finished his statement? Cannot we proceed to vote in a few minutes?

Mr. GRUENING. Mr. President, I am prepared to speak for 12 hours on this subject.

Mr. DIRKSEN. Tonight?

Mr. GRUENING. No; but we can resume tomorrow. Perhaps I will be more reasonable, then—

Mr. DIRKSEN. Why not permit the votes to be taken at this time, and then have the Senator from Alaska continue his speech thereafter?

Mr. GRUENING. No; I feel it necessary to expose the iniquity of this administration. We have tried to do so in the past; but I feel it essential and that we do so even more clearly now.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. DIRKSEN. I have the floor, and I yield.

Mr. YARBOROUGH. No, Mr. President; I have the floor. I yield. [Laughter.]

Mr. MANSFIELD. Mr. President, next week the mutual security appropriation bill will be before us. In view of the fact that we have had the third reading on these two important bills, and have ordered the yeas and nays on the question of their passage, and in view of the fact that the plan is to bring up the "medicare" bill tonight and make it the pending business, and continue with its consideration on tomorrow, I wonder whether the Senator from Alaska will permit us to proceed now on that basis. After all, Senators' minds are doubtless made up by now, and we should recognize that fact.

Mr. EASTLAND. Would the Senator from Alaska agree to have the votes taken at 2 o'clock on Monday?

Mr. GRUENING. That would be much better. Certainly this is a very serious matter. At the present time we are going down a path along which we can never return, unless a halt is made definitely and promptly. I think it is an extremely serious matter when the Senate is called upon to vote for a half-billion-dollar authorization which the chairman of the committee says will be only the beginning for this program.

The PRESIDING OFFICER. The Senator from Texas [Mr. YARBOROUGH] has the floor and yielded for a brief interruption.

Mr. DIRKSEN. Mr. President, I yield the floor.

Mr. YARBOROUGH. Mr. President, I yielded only in an attempt to permit a unanimous-consent request to be submitted, in an effort to have the debate ended within a reasonable time. But I did not yield the floor.

Mr. DIRKSEN. I thank the Senator for his courtesy.

Mr. MANSFIELD. Mr. President, if the Senator will yield to me, I wish to appeal to the Senator from Alaska who, I want to say, is consistent in his position insofar as foreign aid is concerned.

But I call the attention of the Senate to the fact that in his younger days the Senator from Alaska wrote a very excellent book on Mexico, and I would recommend to all Senators that they read the book, even these many decades after it was written, because what the Senator from Alaska wrote in that book still holds good. At that time the Senator from Alaska indicated a very great personal interest in Latin America.

Mr. President, the pending measures have to do with a cooperative program covering Latin America, one-sixth of the authorization of the Latin American bill is to be used for the redevelopment and rehabilitation of Chile which, as all Senators know, has been damaged very severely and gravely by earthquakes. In fact, the latest one occurred only today, when Santiago underwent another tremor of some severity.

So I urge the Senator from Alaska to save his ammunition until next week, when we shall consider the appropriations for the mutual security program.

But certainly prompt action by us on the pending measures is most important, in view of the fact that at the present time there is underway in Costa Rica the Conference of Foreign Ministers, and in view of the fact that in another 2 weeks there will be the Conference of Foreign Ministers at Bogotá, Columbia.

Prompt action by the Congress on the two measures now before us would give a psychological imperative which many of us think extremely important at this time.

Mr. GRUENING. Mr. President, I should like to say to my good friend that my interest in Mexico and in Latin America is undiminished.

But I feel very deeply that the way now proposed is not the way to help either those countries or ourselves.

In town at this time is a very distinguished representative of the Government of Mexico. I shall not name him; but I shall state that only the other day I had lunch with him, and at that time he told me that these loans are doing damage not only to the countries which receive them, but also to the United States of America.

Mr. President, if the specifics of these proposed programs were spelled out in a tangible way, so we could know what we were voting for, I might feel differently about these matters.

But at this time it is proposed that we authorize \$500 million as a blank check, without any knowledge in regard to what the money will be used for.

Certainly I would be willing to vote for aid to the people of Chile, where great suffering has occurred because of the earthquakes, and where tens of thousands of the people are homeless. I would be glad to have us vote to aid Chile, for the people there have suffered a great disaster, and I am sure that all of us will be glad to help them or to help other suffering people in other countries.

Mr. MANSFIELD. Mr. President, will the Senator from Alaska yield again?

Mr. GRUENING. I yield.

Mr. MANSFIELD. I would suggest that the committee has set out guidelines in considering what the procedure should be under this cooperative program.

Furthermore, this time, instead of appropriating the money to the President, the committee proposes appropriating it to the Secretary of State, whom we can hold more accountable; and the committee states, in addition, that it should be subject to such further legislative provisions as may be indicated, and also states that the Secretary of State shall keep the Foreign Relations Committee of the Senate and the Foreign Affairs Committee of the House of Representatives informed regarding the utilization of such funds.

Furthermore, the appropriations must be acted on by the Appropriations Committees of both Houses of Congress.

I wish to assure the distinguished Senator from Alaska that this matter will be looked at very closely, and that before approval will be given by the Foreign Relations Committee, any such proposals will be gone over with a fine-toothed comb; and I feel quite certain that in this area, at least, what will be done will meet with a greater degree of satisfaction on the part of all Senators than is the case now under the mutual security program.

So I appeal to the Senator from Alaska to permit us to proceed now to act on these measures.

Mr. GRUENING. Mr. President, I wish to say that if I can have the assurance of the assistant majority leader that in the future he will cooperate in securing some similarity between the domestic programs and the foreign aid programs, I would be more willing to proceed in the way now proposed. But I think it shocking that when it is desired to build only a cabin for a necessary program in one of our national forests, the position of the administration is that the proposal for it must go through all the long, complicated, strict budgetary procedures; whereas in this instance the administration asks of Congress a \$500 million blank check for this foreign aid program.

Mr. MANSFIELD. I assure the Senator from Alaska that that will have my serious consideration.

But the Senator knows as well as I do that I stood fast with him when the administration proposed to give money for the construction of college classrooms and dormitories in Burma and for the construction of a road between one city in Burma and another city in Burma, whereas at the same time the administration took the position that we could

not provide funds for classrooms and teachers or the construction of roads in the United States. I protested most seriously, and stood shoulder to shoulder with the distinguished Senator from Alaska on that point.

So I appeal to the Senator from Alaska to allow us to arrive at a time certain on which to vote.

Mr. GRUENING. Very reluctantly, I yield.

Mr. DIRKSEN. Mr. President, I renew my request that at the end of 20 minutes, to be divided between the Senator from Florida [Mr. SMATHERS], the Senator from Wisconsin [Mr. PROXMIRE], the Senator from Texas [Mr. YARBOROUGH], and the Senator from New York [Mr. JAVITS], the Senate proceed to vote.

Mr. PROXMIRE. Mr. President, is it understood that the Senator from Texas shall have 5 minutes, the Senator from Wisconsin 6 minutes, the Senator from Florida 4½ minutes, and the Senator from New York 4½ minutes?

Mr. DIRKSEN. Yes. The Senator from New York wanted only 3 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Texas.

Mr. YARBOROUGH. Mr. President, in supporting the passage of S. 3861, I congratulate the Committee on Foreign Relations and its distinguished chairman for their action on this measure, and commend them for the statements heard here and the colloquy that has taken place.

I appreciate the mixed emotions with which the chairman of the committee, who has stated his views on it, and the whole committee, must view this unusual last-minute request by the administration to set up a program which many Senators have long advocated.

If this were a political session of Congress, as some of our colleagues across the aisle have charged, I think those Senators would be well justified in postponing consideration of this request until a later date.

However, they have taken this action because here is something that ought to be done, and done now. It is, in fact, overdue. I think Senators on both sides of the aisle can take pride in the fact that they have laid aside political considerations and have moved in this field of responsibility. Senators who have conducted the educational campaign for the program are entitled to credit, as are also the administration, which has perceived its merits, and the committee that has voted for it unanimously.

The mere fact that I lived for 3½ years in a border city at the Mexico-Texas line, and the fact that I go to Mexico every year and know many people who live there, does not give me the right to believe that I am an expert on Latin-American affairs, or even on Mexican affairs. I know I am not an expert merely by reason of these numerous visits, I know the study of Latin-American affairs is a lifetime study, and even then will not make one an expert.

Recent developments in Latin America have reinforced our desire to make concrete our longstanding goal of a true

good neighbor policy toward our sister republics.

I agree with the Senator from South Dakota that, due to our longstanding American policy, beginning with the Monroe Doctrine and extending up to date, we owe special consideration to Latin America. We have a special obligation there. We owe a higher obligation, I think, to the Latin American Republics than we do to any other nations of the world, except perhaps the Philippines, to whom we have granted their freedom.

Just as our revolution and philosophy of freedom inspired the Latin American countries in their fights for independence, so our industrial success and prosperity have created in them the desire for comparable economic independence and freedom. By such a program as is here proposed we can again be on the side of the Latin American Republics, this time in a struggle against poverty and economic dependence, just as we were on their side against their political dependence.

We certainly cannot afford to be cast in the role of the economic oppressor, nor have we any such desire. We can now light the torch of economic freedom for them as we once lighted the torch of political freedom.

One of the greatest apparent defects of this proposal may well also be one of its greatest advantages. I refer to its lack of detail in how the proposed authorization is to be used or administered. As I understand the proposal, these details are to be developed cooperatively by the American Republics, allowing them the maximum possible responsibility in planning for their social development. This seems to be following in the great tradition of the Marshall plan in providing "help for self-help" to these countries.

The needs of Latin America, with its existing need to develop its underdeveloped resources, and its fantastic population growth, which experts have estimated will double ours in 30 years, are nearly as great as those confronting Europe when the Marshall plan was initiated. We all know of the devastation of Chile. The \$100 million for aid in the rehabilitation of the economy of those lovers of liberty is a reasonable request. The \$500 million to be used in developing the economics for freedom of our good neighbors of the Americas from the Rio Grande to Patagonia will cheer the hearts of all the Americas. It is not charity; it is not exploitation; it is a good neighbor self-help and neighbor-help idea, like the old-fashioned house-raising in our own pioneer days.

With the adoption of this proposal, we may hope for as great a success in meeting the local needs in Latin America as the Marshall plan achieved.

In conclusion, I make a request of the administration. The administration is asking much of Congress in the way of faith. I hope it will respond by inviting the distinguished chairman of the Senate Foreign Relations Committee, as a representative of this body, to go to the meeting at Bogotá on September 5. We all know, from the way the chairman has sponsored this proposal, and the student aid program, that he has the

capacity to put aside political or partisan considerations and work for the good of the country in the best spirit of our Western civilization and in the best spirit of parliamentary government.

I think it would reassure the Senate and the House if they knew that the distinguished chairman of the Senate Foreign Relations Committee was to be invited to go to Bogotá, because they know of his good judgment. He has stated, in his able statement, the fact that we are going to have to take it on faith, and I think we will have more faith if he is invited to that meeting.

Mr. FULBRIGHT. I thank the Senator for his kind remarks.

The PRESIDING OFFICER. The time of the Senator from Texas has expired.

The Senator from Wisconsin [Mr. PROXMIRE].

Mr. PROXMIRE. Mr. President, it is with very great regret that I shall vote against this bill. I do so recognizing that Senators on the Foreign Relations Committee who are responsible for it are a fine, able group of men. I trust them. I have faith in them. However, under the circumstances, I cannot bring myself to vote for the bill they report.

I recognize, of course, that it is rarely good politics to favor a foreign aid bill. I realize the kind of sacrifice that men have to make in campaigning for this kind of bill and with what great reluctance they ask for this kind of blank-check authorization.

I think the speech which the Senator from Arkansas put into the Record was an excellent speech. I think it explains his position very ably and very well. It is with great reluctance that I take a position in opposition to that of the Senator from Arkansas and to the unanimous recommendation of the Foreign Relations Committee.

I think the basic idea in the bill is a good idea. I agree with the junior Senator from Texas [Mr. YARBOROUGH] that it is good to bring all the nations of South America into this program to work on the problems of South America together. But the fact is that this bill is legislative abdication.

The bill would authorize the spending of money pursuant to no specific, clear, evident guideline at all. This is a completely new precedent. I have just consulted with a distinguished member of the staff of the Committee on Foreign Relations, and he tells me there is no precedent in his memory for this kind of authorization. There is no precedent for the Senate of the United States to permit money to be authorized to be spent without our first knowing where and when and how and why.

I am a new Member of this body. Members who have been in this body longer than I have recognized the great value of having what the Senate rules require: an authorization process and an appropriations process.

The fact is that we make a radical departure in this bill. We provide that the authorization process shall not fulfill its function. We provide that the legislative policy which must be set forth in an authorization proposal will be skipped.

I think this is an extremely serious departure. I recognize the administra-

tion very much desires to have this proposal passed. I recognize that fine members of the Committee on Foreign Relations feel its passage is necessary. However, I think we should not depart from the policy of many years of following the authorization and appropriation policy. I feel it would be a very grievous and unfortunate mistake.

Mr. President, this is more than merely a technical objection or an objection on the basis of procedural form. This is an objection which goes to the very heart of what we are asked to do. As has been said over and over again, almost ad nauseam, we would not make this kind of an authorization for any kind of domestic appropriation. No bank, no corporation, no State, no city, no individual would provide funds for any purpose without having some kind of specific designation as to how the money would be used.

I think we must insist, as U.S. Senators, on being told, before we vote for this kind of bill, in some way, in some degree, with some kind of guidelines, how the money is to be spent. The real question here tonight is whether U.S. Senators are competent enough to act on merits of specific legislation.

I have voted for and against foreign aid legislation in the past. Almost every time I have voted against such legislation it has been primarily because I felt there was not enough information available to know what we were asked to vote for. I refuse to vote for any legislation unless I can reach an informed understanding of what I am voting for. I cannot vote to spend the taxpayer's money on any kind of a program unless it is intelligibly justified.

I cannot bring myself, as a representative of the people of Wisconsin, to vote for a proposal which is so vague. To use the words of the chairman of the committee, the author of the bill:

No program has been presented to the committee. No details worth speaking of have been offered. There is no country breakdown. There is not even the usual illustrative program. The Department of State speaks of this as "an initial contribution."

Mr. President, under these circumstances I think it would be a dereliction of duty on my part if I voted for the bill.

In the few remaining moments I have, Mr. President, I should like to refer to what appears to be the justification for the bill, on page 2 of the fine statement made by the Senator from Arkansas, when he said:

The purpose of the bill is to enable the U.S. representatives at that conference to say to the others present that the United States agrees that there is an urgent need for immediate improvement in the living standards in Latin American countries.

I recognize that my time is up, but I say that even the fine answer given by the Senator from Arkansas does not satisfy me at all. I cannot understand why the word of this Government is so bad that our Secretary of State cannot go to South America and convince the countries of South America that we are sincere and honest and will fight for any constructive program that can be rationally justified on its merits.

The PRESIDING OFFICER. The time of the Senator from Wisconsin has expired.

The Senator from Florida [Mr. SMATHERS] is recognized.

Mr. SMATHERS. Mr. President, first I wish to congratulate the Committee on Foreign Relations. I particularly congratulate the distinguished and able chairman of the committee for the explanation he has made of this legislation. I share with the Senator, as I do with every Member of the Senate who has thus far spoken, regret and some resentment that the administration has made this presentation, with so few specifics involved.

However, Mr. President, I think it would be a mistake, because we do not like the manner in which this is presented, to vote against it. It would be unrealistic, I think, not to recognize that an emergency condition exists in Latin America. One need look only 90 miles beyond the border of my own State to see a country in flames. The whole area is under great stress and is experiencing great change.

We have not done what we should have done in that area in the past. Despite what some Senators said only a few moments ago about billions of dollars being poured into that area, the facts do not substantiate such statements. Since 1946, although many billions of dollars have been going to other areas of the world, Latin America has received only 1½ percent of the total in grant aid and less than 3 percent of the combined loan and grant total. To be sure, there have been expenditures by the Export-Import Bank, but the Export-Import Bank, as Senators who serve on the appropriate committees know, makes money from its operations. It makes commercial loans. This program would be effective in fields where commercial loans cannot be obtained.

In the past we have voted for some of the programs which are here recommended. We voted this year for the housing program, but the Development Loan Fund has not done much to implement it.

In 1956 the Senate voted for an amendment, which I offered, to help in regard to housing, sanitation, roads, and the resettlement of Indians from the highlands to the lowlands. We favored that by some 85 votes as compared to less than 5 votes against it. When Senators say that this proposal is completely new, that is not exactly correct. We have

gone over much of this subject previously.

The reason we must vote for the program now is that otherwise the impression would go out once again that the United States has turned its back on Latin America. I happen to believe that the Latin Americans do not wish charity. There is no evidence whatever that the Latin Americans would like to have somebody give them something. Despite the fears of some Senators that the money to be provided will not get to the people, the Latin Americans have not asked for any giveaway. The only thing they have asked is that we make the program available to them so that they can participate in it, putting up their share of the money—money which will be dedicated to the programs—so that they can develop their countries. By developing their countries they can resist the dogma and the teachings of communism which, as we all know, flourish in the areas where there is poverty and ignorance and chaos.

Mr. President, I do not know that we can do anything else. We must support this bill, even though we have grave reservations and dislike the manner in which it has been presented to us.

The PRESIDING OFFICER. The time of the Senator from Florida has expired. The Senator from New York is recognized.

Mr. JAVITS. Mr. President, I shall support this bill. My support for it is based upon the rather extensive experience which I have had in respect to the original Marshall plan in Europe, when I was a member of the Committee on Foreign Affairs of the House of Representatives, the chairman of the Foreign Economics Subcommittee, and now as the chairman of the Economic Committee of the NATO Parliamentarians.

I know one thing of particular importance. The dignity and self-respect of the Marshall type plan has been what the South American countries have been searching for all the time. The mere fact that we shall be committed to that principle, which represents a new departure in American foreign policy so far as the other American republics are concerned, is very important. Let us not forget that the dignity of those countries, the fact that they feel they belong and are being treated on the same parity with the European countries, with which we have had relationships under the Marshall plan since the end of World War II, is very important to

countries like Venezuela, Brazil, Chile, Peru, and all the other countries of Latin America. They will feel that we are putting them on a parity with the German Federal Republic, France, Great Britain, Holland, and Belgium. That is the way they would like to be considered.

Mr. President, we are coming to a new era in American relationships with the other American republics. We have gone through the gunboat policy; landing Marines. We have gone through the good neighbor policy. We are now coming to the policy of regional alliance. This bill is a recognition of the maturity of these countries and of the maturity of our own point of view with respect to them.

Certainly it is general in nature.

However, I close upon this point. Are there not many Senators who constantly complain that our diplomacy is not resourceful enough, that it is not quick enough, that it is not "on the ball" enough, that it is not flexible enough in order to meet the challenges which face us today in this world? Now that we have an example of resourcefulness, of speed, of flexibility, and of putting our negotiator in the best and not the worst position, we suddenly become very cautious and very careful. We want a full bill of particulars, even though there is no appropriation bill, and we are not going to let them do it.

It seems to me the very ones who complain about alacrity and skill and equipping our negotiators properly should be the first to jump at this kind of opportunity in this kind of tough situation. I believe we ought to compliment the entire Committee on Foreign Relations, and our confidence in the Foreign Relations Committee should be restored. It unanimously voted to report this bill. I shall support it as a step in the highest national interest of our country.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. FULBRIGHT. Mr. President, I wish to thank the Senator from New York for his compliment.

I ask unanimous consent that there be printed in the RECORD at this point in my remarks a number of tables bearing upon this question as to the various programs and how they have been administered in Latin America. These were the tables which were supplied to us by the Department of State in the consideration of this bill.

There being no objection, the tables were ordered to be printed in the RECORD, as follows:

U.S. economic aid to Latin America, fiscal years 1946-60 obligations and other commitments

(Millions of dollars)

	Fiscal years 1946-59	Fiscal year 1960 ¹	Fiscal years 1946-60		Fiscal years 1946-59	Fiscal year 1960 ¹	Fiscal years 1946-60
Mutual security program, total.....	464.2	99.6	563.8	Public Law 480, total.....	417.0	50.0	467.0
International Cooperation Administration ²	377.6	67.2	444.8	Title I. Planned Country Use ³	277.5	38.0	315.5*
Technical cooperation.....	203.7	36.1	239.8	(Sales Agreements).....	(392.9)	(77.5)	(470.4)
Other.....	174.0	31.2	205.2	Title II. Emergency Relief.....	39.0		39.0
Development Loan Fund.....	65.8	28.6	94.4	Title III. Voluntary Relief Agencies.....	100.5	12.0	112.5
Other MSP economic.....	20.8	3.8	24.6	Export-Import Bank long-term loans.....	2,339.0	116.6	2,455.6
Non-mutual-security program, total.....	3,061.1	166.6	3,227.7	Other U.S. economic programs.....	305.1	(4)	305.1
				Grand total, economic programs.....	3,525.3	266.2	3,791.5

¹ Preliminary.

² Excludes worldwide malaria eradication.

³ All planned for sec. 104(g) loans for economic development.

* Expenditure for Latin American highways not available; estimated at about \$4,000,000.

NOTE.—Details may not add to totals due to rounding.

IBRD loan commitments in Latin America ¹

[Millions of dollars]

Country	Fiscal year 1958	Fiscal year 1959	Fiscal year 1960 (to June 17)	Total, fiscal years 1947-60	Country	Fiscal year 1958	Fiscal year 1959	Fiscal year 1960 (to June 17)	Total, fiscal years 1947-60
Brazil.....	13.4	84.6		267.1	Mexico.....	45.0			186.3
Chile.....	21.8		32.5	106.2	Nicaragua.....				23.0
Colombia.....		19.4	42.6	173.2	Panama.....				6.9
Costa Rica.....		3.5	2.0	8.5	Paraguay.....				4.5
Ecuador.....	19.5	13.0		45.0	Peru.....		6.6	5.0	52.5
El Salvador.....		8.0		31.6	Uruguay.....			7.0	71.0
Guatemala.....				18.2					
Haiti.....				2.6	Total.....	105.2	136.6	89.1	1,007.8
Honduras.....	5.5	1.5		11.2					

¹ Net after cancellations.

Value of direct investment in Latin America by selected countries and years

[Millions of dollars]

Country	1950	1952	1955	1956	1957	1958 ¹	Country	1950	1952	1955	1956	1957	1958 ¹
Argentina.....	356	393	447	466	501	517	Venezuela.....	993	1,174	1,428	1,829	2,683	2,863
Brazil.....	644	1,013	1,115	1,218	1,301	1,345	Central America, Dominican Republic, and Haiti.....	432	487	563	630	674	737
Chile.....	540	623	639	676	702	736	Other countries.....	86	103	119	132	161	173
Colombia.....	193	232	274	298	297	289	Total.....	4,445	5,443	6,233	7,059	8,324	8,731
Cuba.....	642	686	736	777	840	861	Overseas territories ²	131	158	179	314	339	395
Mexico.....	414	490	607	690	765	781							
Peru.....	145	242	305	343	400	429							

¹ Preliminary figures.² British Guiana, British Honduras, British West Indies, Jamaica, Trinidad, the Bahama Islands, Bermuda, French Guiana, French Islands in the Western Hemisphere, Netherlands West Indies and Surinam.

Source: "Survey of Current Business," U.S. Department of Commerce, August 1959.

Investment position of the United States in Latin America, 1957-58

[Millions of dollars]

	1957	1958 (preliminary)		1957	1958 (preliminary)
Private investments.....	10,534	11,113	U.S. Government credits and claims.....	1,238	1,699
Long-term.....	9,282	9,769	Long-term.....	1,119	1,559
Direct.....	8,325	8,730	Short-term.....	119	140
Foreign dollar bonds.....	123	139	Total.....	11,772	12,832
Other foreign securities ¹	37	40			
Other.....	797	860			
Short-term.....	1,252	1,364			
Deposits.....	47	55			
Other.....	1,205	1,309			

¹ Consists primarily of securities payable in foreign currencies, but includes some dollar obligations, including participation in loans made by the IBRD.

Source: "Survey of Current Business," U.S. Department of Commerce, August 1959.

U.S. economic aid to Chile, fiscal years 1946-60 obligations and other commitments

[Millions of dollars]

	Fiscal years 1946-59	Fiscal year 1960 ¹	Fiscal years 1946-60 ²		Fiscal years 1946-59	Fiscal year 1960 ¹	Fiscal years 1946-60 ²
Mutual security program, total.....	26.9	18.9	45.8	Public Law 480, total.....	59.1	7.1	66.2
International Cooperation Administration.....	16.6	7.9	24.5	Title I. Planned Country Use.....	30.9	1.4	32.3
Technical cooperation.....	15.8	3.1	18.9	(Sales agreements).....	(38.9)	(3.1)	(42.0)
Other.....	.8	4.8	5.6	Title II. Emergency Relief.....			
Development Loan Fund.....	.3	10.5	10.8	Title III. Voluntary Relief Agencies.....	28.2	5.7	33.9
Other MSP economic.....	10.0	.5	10.5	Export-Import Bank long-term loans.....	192.1	16.9	209.0
Non-mutual-security program, total.....	256.3	24.0	280.3	Other U.S. economic programs.....	5.1		5.1
				Grand total, economic programs.....	283.2	42.9	326.1

¹ Preliminary.² All planned for sec. 104(g) loans for economic development.U.S. economic aid to Latin America, fiscal year 1946 through fiscal year 1960 ¹—Obligations and other commitments

[Millions of dollars]

	Total	Argentina	Bolivia	Brazil	Chile	Colombia	Costa Rica	Cuba	Dominican Republic	Ecuador	El Salvador	Guatemala
Mutual security program, total.....	563.8	26.3	131.8	37.8	45.8	11.0	11.0	2.8	2.0	28.9	7.2	69.3
International Cooperation Administration, total ²	444.8	1.5	127.8	37.6	24.5	11.0	10.7	2.8	2.0	18.9	7.2	63.9
Technical cooperation.....	239.8	1.4	21.3	35.2	18.9	11.0	8.6	2.8	2.0	14.2	7.2	13.7
Other.....	205.2	.1	106.6	2.4	5.6		2.1			4.7		50.2
Development Loan Fund.....	94.4	24.8	4.0	.2	10.8		.3			10.0		5.4
Other mutual security program economic.....	24.6				10.5							

Footnotes at end of table.

U.S. economic aid to Latin America, fiscal year 1946 through fiscal year 1960¹—Obligations and other commitments—Continued

[Millions of dollars]

	Total	Argentina	Bolivia	Brazil	Chile	Colombia	Costa Rica	Cuba	Dominican Republic	Ecuador	El Salvador	Guatemala
Non-mutual security program, total.....	3,227.7	425.7	58.5	1,196.6	280.3	198.8	51.6	38.0	.6	35.6	2.8	45.9
Public Law 480, total.....	467.0	34.8	23.6	164.4	66.2	60.8	1.0	(3)		8.7	1.0	4.6
Title I country use (local currency loans for economic development).....	315.5 (470.4)	34.8 (62.4)		148.1 (178.4)	32.3 (42.0)	40.1 (69.9)				6.6 (9.4)		
(Sales agreements).....	39.0		17.4				.2					3.2
Title II.....	112.5		6.1	16.3	33.9	20.8	.8	(3)		2.1	1.0	1.3
Title III.....												
Export-Import Bank.....	2,455.6	390.8	24.3	986.8	209.0	135.4	21.0	37.5		23.2		6.2
Other.....	305.1	.1	10.6	45.4	5.1	2.6	29.6	.5	.6	3.7	1.8	35.1
Grand total.....	3,791.5	452.0	190.3	1,234.4	326.1	209.8	62.6	40.9	2.7	64.5	10.0	115.2

	Haiti	Honduras	Mexico	Nicaragua	Panama	Paraguay	Peru	Uruguay	Venezuela	Overseas territories	Regional
Mutual security program, total.....	39.2	21.7	7.0	9.5	13.0	22.1	28.2	10.6	1.2	8.2	29.2
International Cooperation Administration, total ²	31.6	13.9	7.0	6.4	13.0	15.0	23.7	1.8	1.2	8.2	15.1
Technical cooperation.....	11.0	9.9	7.0	6.1	11.0	13.5	21.6	1.7	1.2	5.3	15.1
Other.....	20.6	4.0		.4	2.0	1.5	2.0	.2		2.9	
Development Loan Fund.....	7.6	7.8		3.1		7.1	4.5	8.8			
Other.....											14.1
Non-mutual security program, total.....	37.5	12.7	457.9	31.4	45.2	16.2	242.8	27.7	15.4	6.2	
Public Law 480, total.....	7.5	2.4	14.8		5.2	3.2	40.5	21.9		6.2	
Title I country use (Sales agreements).....			10.6 (28.2)			2.2 (3.0)	19.1 (33.9)	21.7 (43.2)			
Title II.....	3.5	.2	.2				13.9 (3)	.2		.3	
Title III.....	4.0	2.2	4.0		5.2	1.0	7.5			5.9	
Export-Import Bank.....	27.0	3.5	343.5	12.1	16.8	10.1	191.7	2.6	13.9		
Other.....	3.0	6.8	99.6	19.3	23.2	2.9	10.6	3.2	1.5		
Grand total.....	76.7	34.4	464.9	40.9	58.2	38.3	271.0	38.3	16.6	14.4	29.2

¹ These data include preliminary figures for fiscal year 1960.² Excludes worldwide malaria eradication program.³ Less than \$50,000.⁴ Fiscal year 1960 data not available; expenditures for Latin American Highway estimated at about \$4,000,000.

NOTE.—Details may not add to totals due to rounding.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. MANSFIELD. Mr. President, I think this debate has been quite helpful. Many viewpoints have been expressed, and everyone who has spoken on the subject has believed in what he stated. I trust that Senators will give the statements the attention due them. I am happy to note that there is unanimous recognition in the Senate of the need for funds for the reconstruction and rehabilitation of Chile, which has suffered a tremendous earthquake.

I ask unanimous consent that the Senate proceed to vote on Calendar No. 1910, Senate bill 3861, to be followed by a vote on Calendar No. 1908, Senate bill 3855.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered. All time has expired.

The question is, Shall the bill S. 3861 pass? On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BARTLETT (when his name was called). On this vote I have a pair with the junior Senator from North Dakota [Mr. BURDICK]. If he were present and voting, he would vote "yea." If I were permitted to vote, I would vote "nay." Therefore I withhold my vote.

The rollcall was concluded.

Mr. MANSFIELD. I announce that the Senator from Virginia [Mr. BYRD], the Senator from Connecticut [Mr. DODD], the Senator from Rhode Island [Mr. GREEN], the Senator from Michigan [Mr. HART], the Senator from Alabama [Mr. HILL], the Senator from Tennessee [Mr. KEFAUVER], the Senator from Oklahoma [Mr. KERR], the Senator from Ohio [Mr. LAUSCHE], the Senator from Washington [Mr. MAGNUSON], the Senator from Minnesota [Mr. MCCARTHY], the Senator from Montana [Mr. MURRAY], the Senator from Wyoming [Mr. O'MAHONEY], and the Senator from Rhode Island [Mr. PASTORE] are absent on official business.

The Senator from North Dakota [Mr. BURDICK] is absent because of a death in his family.

I further announce that the Senator from Missouri [Mr. HENNINGS] is absent because of illness.

I further announce that, if present and voting, the Senator from Rhode Island [Mr. GREEN], the Senator from Missouri [Mr. HENNINGS], the Senator from Alabama [Mr. HILL], the Senator from Tennessee [Mr. KEFAUVER], the Senator from Oklahoma [Mr. KERR], the Senator from Ohio [Mr. LAUSCHE], the Senator from Washington [Mr. MAGNUSON], the Senator from Minnesota [Mr. MCCARTHY], the Senator from Montana [Mr. MURRAY], the Senator

from Rhode Island [Mr. PASTORE] would each vote "yea."

On this vote, the Senator from Virginia [Mr. BYRD] is paired with the Senator from Connecticut [Mr. DODD].

If present and voting, the Senator from Virginia would vote "nay," and the Senator from Connecticut would vote "yea."

On this vote, the Senator from Michigan [Mr. HART] is paired with the Senator from Oklahoma [Mr. KERR]. If present and voting, the Senator from Michigan would vote "yea," and the Senator from Oklahoma would vote "nay."

Mr. KUCHEL. I announce that the Senator from Maryland [Mr. BEALL], the Senator from New Hampshire [Mr. BRIDGES and Mr. COTTON], the Senator from Maryland [Mr. BUTLER], the Senator from Indiana [Mr. CAPEHART], the Senator from Kentucky [Mr. COOPER], the Senator from Nebraska [Mr. CURTIS], and the Senator from Kansas [Mr. SCHOEPP] are necessarily absent.

The Senator from Iowa [Mr. MARTIN] is absent by leave of the Senate on official business.

The Senator from Massachusetts [Mr. SALTONSTALL] and the Senator from Arizona [Mr. GOLDWATER] are detained on official business.

If present and voting, the Senators from New Hampshire [Mr. BRIDGES and

Mr. COTTON], the Senator from Indiana [Mr. CAPEHART], the Senator from Kentucky [Mr. COOPER] and the Senator from Massachusetts [Mr. SALTONSTALL] would each vote "yea."

The result was announced—yeas 54, nays 19, as follows:

[No. 302]
YEAS—54

Aiken	Gore	Monroney
Allott	Hartke	Morse
Anderson	Hayden	Morton
Bennett	Hickenlooper	Mundt
Bush	Holland	Muskie
Carlson	Hruska	Prouty
Carroll	Humphrey	Randolph
Case, N.J.	Jackson	Scott
Case, S. Dak.	Javits	Smathers
Chavez	Johnson, Tex.	Smith
Church	Keating	Sparkman
Clark	Kennedy	Symington
Dirksen	Kuchel	Wiley
Douglas	Long, Hawaii	Williams, Del.
Engle	Lusk	Williams, N.J.
Fong	McGee	Yarborough
Frear	McNamara	Young, N. Dak.
Fulbright	Mansfield	Young, Ohio

NAYS—19

Bible	Gruening	Robertson
Byrd, W. Va.	Johnston, S.C.	Russell
Cannon	Jordan	Stennis
Dworshak	Long, La.	Talmadge
Eastland	McClellan	Thurmond
Ellender	Moss	
Ervin	Proxmire	

NOT VOTING—27

Bartlett	Curtis	Lausche
Beall	Dodd	McCarthy
Bridges	Goldwater	Magnuson
Burdick	Green	Martin
Butler	Hart	Murray
Byrd, Va.	Hennings	O'Mahoney
Capehart	Hill	Pastore
Cooper	Kefauver	Saltonstall
Cotton	Kerr	Schoeppel

So the bill S. 3861 was passed.

Mr. FULBRIGHT. Mr. President, I move that the Senate reconsider the vote by which the bill was passed.

Mr. DIRKSEN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

INCREASE OF AUTHORIZATION FOR APPROPRIATION FOR PRESIDENT'S MUTUAL SECURITY CONTINGENCY FUND

The Senate resumed the consideration of the bill (S. 3855) to increase the authorization for appropriation for the President's mutual security contingency fund for the fiscal year 1961, and for other purposes.

The PRESIDING OFFICER. The question is on the passage of the bill. The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. MANSFIELD. I announce that the Senator from Virginia [Mr. BYRD], the Senator from Connecticut [Mr. DODD], the Senator from Rhode Island [Mr. GREEN], the Senator from Michigan [Mr. HART], the Senator from Alabama [Mr. HILL], the Senator from Tennessee [Mr. KEFAUVER], the Senator from Oklahoma [Mr. KERR], the Senator from Ohio [Mr. LAUSCHE], the Senator from Washington [Mr. MAGNUSON], the Senator from Minnesota [Mr. MCCARTHY], the Senator from Montana [Mr. MURRAY], the Senator from Wyoming [Mr. O'MAHONEY], and the Senator from

Rhode Island [Mr. PASTORE], are absent on official business.

The Senator from North Dakota [Mr. BURDICK] is absent because of a death in his family.

I further announce that the Senator from Missouri [Mr. HENNINGS], is absent because of illness.

I further announce that, if present and voting, the Senator from North Dakota [Mr. BURDICK], the Senator from Rhode Island [Mr. GREEN], the Senator from Missouri [Mr. HENNINGS], the Senator from Alabama [Mr. HILL], the Senator from Tennessee [Mr. KEFAUVER], the Senator from Oklahoma [Mr. KERR], the Senator from Ohio [Mr. LAUSCHE], the Senator from Washington [Mr. MAGNUSON], the Senator from Minnesota [Mr. MCCARTHY], the Senator from Montana [Mr. MURRAY], the Senator from Rhode Island [Mr. PASTORE], would each vote "yea."

On this vote, the Senator from Virginia [Mr. BYRD], is paired with the Senator from Connecticut [Mr. DODD]. If present and voting, the Senator from Virginia would vote "nay" and the Senator from Connecticut would vote "yea."

On this vote, the Senator from Michigan [Mr. HART] is paired with the Senator from Oklahoma [Mr. KERR]. If present and voting, the Senator from Michigan would vote "yea," and the Senator from Oklahoma would vote "nay."

Mr. KUCHEL. I announce that the Senator from Maryland [Mr. BEALL], the Senators from New Hampshire [Mr. BRIDGES and Mr. COTTON], the Senator from Maryland [Mr. BUTLER], the Senator from Indiana [Mr. CAPEHART], the Senator from Kentucky [Mr. COOPER], the Senator from Nebraska [Mr. CURTIS], and the Senator from Kansas [Mr. SCHOEPPEL] are necessarily absent.

The Senator from Iowa [Mr. MARTIN] is absent by leave of the Senate on official business.

The Senator from Massachusetts [Mr. SALTONSTALL], and the Senator from Arizona [Mr. GOLDWATER] are detained on official business.

If present and voting, the Senators from New Hampshire [Mr. BRIDGES and Mr. COTTON], the Senator from Indiana [Mr. CAPEHART], and the Senator from Kentucky [Mr. COOPER] would each vote "yea."

On this vote, the Senator from Massachusetts [Mr. SALTONSTALL] is paired with the Senator from Arizona [Mr. GOLDWATER]. If present and voting, the Senator from Massachusetts would vote "yea," and the Senator from Arizona would vote "nay."

The result was announced—yeas 59, nays 14, as follows:

[No. 303]
YEAS—59

Aiken	Clark	Hruska
Allott	Dirksen	Humphrey
Anderson	Douglas	Jackson
Bartlett	Dworshak	Javits
Bennett	Engle	Johnson, Tex.
Bush	Fong	Keating
Byrd, W. Va.	Fulbright	Kennedy
Carlson	Gore	Kuchel
Carroll	Hartke	Long, Hawaii
Case, N.J.	Hayden	Lusk
Case, S. Dak.	Hickenlooper	McGee
Church	Holland	McNamara

Mansfield
Monroney
Morse
Morton
Moss
Mundt
Muskie
Prouty

Proxmire
Randolph
Robertson
Scott
Smathers
Smith
Sparkman
Stennis

Symington
Wiley
Williams, Del.
Williams, N.J.
Yarborough
Young, N. Dak.
Young, Ohio

NAYS—14

Bible
Cannon
Chavez
Eastland
Ellender

Ervin
Frear
Gruening
Johnston, S.C.
Jordan
McClellan
Russell
Talmadge
Thurmond

NOT VOTING—27

Beall
Bridges
Burdick
Butler
Byrd, Va.
Capehart
Cooper
Cotton
Curtis

Dodd
Goldwater
Green
Hart
Hennings
Hill
Kefauver
Kerr
Lausche

Long, La.
McCarthy
Magnuson
Martin
Murray
O'Mahoney
Pastore
Saltonstall
Schoeppel

So the bill S. 3855 was passed.

Mr. FULBRIGHT. Mr. President, I move that the Senate reconsider the vote by which the bill was passed.

Mr. JOHNSON of Texas. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

ORDER FOR RECESS UNTIL 10 A.M. TOMORROW

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that when the Senate concludes its business today, it stand in recess until 10:30 a.m. tomorrow.

Mr. JAVITS. Mr. President, will the Senator make that 10 o'clock?

Mr. JOHNSON of Texas. I have been asked to make it even later, and have compromised by making the hour 10:30.

Mr. JAVITS. I shall be prepared to speak at 10 o'clock.

Mr. JOHNSON of Texas. Mr. President, I will change the hour to 10 o'clock.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

SOCIAL SECURITY AMENDMENTS OF 1960

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of Calendar 1923, H.R. 12580, the social security bill.

The PRESIDING OFFICER. The bill will be stated by title.

The LEGISLATIVE CLERK. A bill (H.R. 12580) to extend and improve coverage under the Federal old-age, survivors, and disability insurance system and to remove hardships and inequities, improve the financing of the trust funds, and provide disability benefits to additional individuals under such system; to provide grants to States for medical care for aged individuals of low income; to amend the public assistance and maternal and child welfare provisions of the Social Security Act; to improve the unemployment compensation provisions of such act; and for other purposes.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Texas.



86TH CONGRESS
2D SESSION

S. 3861

IN THE HOUSE OF REPRESENTATIVES

AUGUST 22, 1960

Referred to the Committee on Foreign Affairs

AN ACT

To provide for assistance in the development of Latin America and in the reconstruction of Chile, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That this Act may be cited as the "American Republics
4 Cooperation Act."

5 SEC. 2. STATEMENT OF POLICY.—(a) It is the sense
6 of the Congress that:

7 (1) The historic, economic, political, and geographic
8 relationships among the American Republics are unique and
9 of special significance and, as appropriate, should be so
10 recognized in future legislation.

11 (2) Although governmental forms differ among the

1 American Republics, the peoples of all the Americas are ded-
2 icated to the creation and maintenance of governments which
3 will promote individual freedom.

4 (3) The interests of the American Republics are so in-
5 terrelated that sound social and economic progress in each is
6 of importance to all and that lack of it in any American Re-
7 public may have serious repercussions in others.

8 (4) For the peoples of Latin America to continue to
9 progress within the framework of our common heritage of
10 democratic ideals, there is a compelling need for the achieve-
11 ment of social and economic advance adequate to meet the
12 legitimate aspirations of the individual citizens of the coun-
13 tries of Latin America for a better way of life.

14 (5) There is a need for a plan of hemispheric develop-
15 ment, open to all American Republics which cooperate in
16 such plan, based upon a strong production effort, the expan-
17 sion of foreign trade, the creation and maintenance of internal
18 financial stability, the growth of free economic and social
19 institutions, and the development of economic cooperation,
20 including all possible steps to establish and maintain equitable
21 rates of exchange and to bring about the progressive elimina-
22 tion of trade barriers.

23 (6) Mindful of the advantages which the United States
24 has enjoyed through the existence of a large domestic market
25 with no internal trade barriers, and believing that similar

1 advantages can accrue to all countries, it is the hope of the
2 people of the United States that all American Republics will
3 jointly exert sustained common efforts which will speedily
4 achieve that economic cooperation in the Western Hemi-
5 sphere which is essential for lasting peace and prosperity.

6 (7) Accordingly, it is declared to be the policy of the
7 people of the United States to sustain and strengthen prin-
8 ciples of individual liberty, free institutions, private enter-
9 prise, and genuine independence in the Western Hemisphere
10 through cooperation with all American Republics which par-
11 ticipate in a joint development program based upon self-help
12 and mutual efforts.

13 (b) In order to carry forward the above policy, the Con-
14 gress hereby:

15 (1) Urges the President through our constitutional
16 processes to develop cooperative programs on a bilateral
17 or multilateral basis which will set forth specific plans of
18 action designed to foster economic progress and improve-
19 ments in the welfare and level of living of all the peoples
20 of the American Republics on the basis of joint aid,
21 mutual effort, and common sacrifice.

22 (2) Proposes the development of workable pro-
23 cedures to expand hemispheric trade and to moderate
24 extreme price fluctuations in commodities which are of
25 exceptional importance in the economies of the American

1 Republics, and encourages the gradual development of
2 regional common markets among the American Re-
3 publics.

4 (3) Supports the development of a more accurate
5 and sympathetic understanding among the peoples of
6 the American Republics through a greater interchange
7 of persons, ideas, techniques, and educational, scientific,
8 and cultural achievements.

9 (4) Favors the progressive development of com-
10 mon standards with respect to the rights and the respon-
11 sibilities of private investment which flows across na-
12 tional boundaries within the Western Hemisphere.

13 (5) Supports the consolidation of the public insti-
14 tutions and agencies of inter-American cooperation, in-
15 sofar as feasible, within the structure of the Organization
16 of American States and the strengthening of the per-
17 sonnel resources and authority of the Organization in
18 order that it may play a role of increasing importance
19 in all aspects of hemispheric cooperation.

20 (6) Declares that it is prepared to give careful and
21 sympathetic consideration to programs which the Presi-
22 dent may develop for the purpose of promoting these
23 policies.

24 SEC. 3. AUTHORIZATION.—In order to carry out the
25 purposes of section 2 of this Act, there is hereby authorized

1 to be appropriated to the Secretary of State not to exceed
2 \$500,000,000, which shall remain available until expended,
3 and which the Secretary may use, subject to such further
4 legislative provisions as may be enacted, in addition to other
5 funds available for such purposes, on such terms and condi-
6 tions as he may specify. The Secretary of State shall keep
7 the Committee on Foreign Relations of the Senate and the
8 Committee on Foreign Affairs of the House currently in-
9 formed about plans and programs for the utilization of such
10 funds.

11 SEC. 4. SPECIAL AUTHORIZATION FOR CHILEAN RE-
12 CONSTRUCTION.—There is hereby authorized to be appro-
13 priated to the President not to exceed \$100,000,000, which
14 shall remain available until expended, for use, in addition to
15 other funds available for such purposes, in the reconstruc-
16 tion and rehabilitation of Chile on such terms and conditions
17 as the President may specify.

Passed the Senate August 19, 1960.

Attest:

FELTON M. JOHNSTON,

Secretary.

AN ACT

To provide for assistance in the development of Latin America and in the reconstruction of Chile, and for other purposes.

AUGUST 22, 1960

Referred to the Committee on Foreign Affairs

14. FARM PROGRAM. Sen. Hruska inserted a newspaper editorial commenting on recent statements by Vice President Nixon and Sen. Kennedy regarding the farm program. pp. 16354-5
15. PUBLIC WORKS. Sen. Chavez inserted a report on the accomplishments of the Public Works Committee, including references to forest highways and watershed projects. pp. 16339-43
16. CIVIL DEFENSE. Sen. Hruska inserted a statement of accomplishment of the Republican administration on civil defense and defense mobilization. pp. 16363-4

HOUSE

17. SMALL BUSINESS. House and Senate conferees were appointed on H. R. 11207, to amend the Small Business Act so as to authorize \$150 million additional for loans to small businesses. pp. 16435-6, 16386
Rep. Coffin urged the adoption of Sec. 8 of this bill, which amends the Small Business Act to require that the Small Business Administrator "promulgate an effective program to enable small concerns to participate in defense contracts at the subcontracting level." pp. 16490-1
18. LABOR-HEW APPROPRIATION BILL, 1961. Agreed to the conference report on this bill, H. R. 11390. pp. 16436-48
19. LABOR STANDARDS. Agreed to a resolution to send to conference H. R. 12677, to amend the Fair Labor Standards Act to increase the minimum wage and to increase coverage under the Act. Conferees were appointed. Senate conferees have been appointed. p. 16443
20. HEALTH. Received the conference report on H. R. 6871, to amend the Public Health Service Act so as to authorize project grants for graduate training in public health (H. Rept. 2062). pp. 16444-5
21. COMMODITY LOANS. Rep. Avery criticized the present Congress for "deliberately" refusing "to extend a limitation of CCC loans for the 1961 crops" which he states will result in "large corporation farmers" again exploiting "the resources of the CCC for the 1961 crop and this exploitation will be charged to the Department of Agriculture." pp. 16466-7
22. MUTUAL SECURITY APPROPRIATION BILL, 1961. Received the conference report on this bill, H. R. 12619 (H. Rept. 2164)(p. 16495-503). As reported by the conference committee this bill includes items as follows: Provides \$150 million for technical cooperation, provides \$230 million for special assistance, deletes House language which would authorize use of \$1.5 million of local currency for hospital construction and instead appropriates \$1.5 million for purchase of these local currencies, deletes the House provision prohibiting the use of funds for a study on the feasibility of a Point-4 Youth Corps, and deletes the House provision prohibiting the use of local currencies for loans to small farmers. Several amendments were reported in disagreement.
23. OLD-AGE ASSISTANCE. Received the conference report on H. R. 12530, to provide Federal grants to States for medical care for aged individuals of low income (H. Rept. 2165). pp. 16496-503

24. RECLAMATION. Received from the Interior Department a report on the Oroville-Tonasket Unit, Okanogan-Similkameen Division, Chief Joseph Dam project, Wash. (H. Doc. 453). p. 16504
25. FOREIGN AID. The Foreign Affairs Committee reported with amendments H. R. 13021 to provide for assistance in the development of Latin America and in the reconstruction of Chile (H. Rept. 2163). p. 16505
26. LANDS. The Interior and Insular Affairs Committee voted to report (but did not actually report) the following bills:
S. 2878, to adjust Indian and non-Indian land use areas in the vicinity of the Navajo Indian Reservation, New Mexico; and
H. R. 12091, to further amend the act authorizing the conveyance of certain lands to Miles City, Mont., in order to extend for one year the authority under such act. p. D718
27. WATERSHEDS. The Public Works Committee approved three watershed projects in Okla. and one in Mich. p. D719
28. FOREIGN SERVICE. The "Daily Digest" states that conferees agreed to file a report on S. 2633, to amend the Foreign Service Act of 1946 relating to Foreign Service staff officers and the Foreign Service retirement system. p. D719
29. RESEARCH. The "Daily Digest" states, "Conferees met in executive session to resolve the differences between the Senate- and House-passed versions of S. 690, to provide for increased use of agricultural products for industrial purposes, but did not reach agreement." p. D719
30. FARM PROGRAM. In criticizing the Democratic party Rep. Schwengel included a criticism of the Agricultural Adjustment Act of 1933. pp. 16471-9
31. PUBLIC DEBT. Rep. Reuss criticized the administration's money policies stating they are "largely" responsible for our recent growth rate, and urged enactment of H. R. 6263, which he states "endeavors to correct" the administration refusal "to concede that it has any duty to come forward with a money policy at all." pp. 16481-90
32. FOREIGN TRADE. Rep. Van Zandt urged the adoption of "positive... morally honest... economically sound protectionism" for U. S. producers, and gave as an example of U. S. industry which has been hurt by foreign competition, the ranchers and meat processors of this country. pp. 16468-70

ITEMS IN APPENDIX

33. FARM PROGRAM; FAMILY FARM. Sen. Humphrey inserted resolutions of farm policy adopted by the Catholic Rural Life Conference, and his article in the Catholic Rural Life magazine outlining his views on a family farm development program as contained in his bill, S. 2502. pp. A6356-8
34. TEXTILE IMPORTS. Rep. Hemphill inserted a newspaper editorial discussing the effects on the domestic textile industry of the importation of lower-priced Japanese textile products. pp. A6358-9

PROVIDING FOR ASSISTANCE IN THE DEVELOPMENT OF LATIN AMERICA AND IN THE RECONSTRUCTION OF CHILE

AUGUST 25, 1960.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

Mr. MORGAN, from the Committee on Foreign Affairs, submitted the following

R E P O R T

[To accompany H.R. 13021]

The Committee on Foreign Affairs, to whom was referred the bill (H.R. 13021) to provide for assistance in the development of Latin America and in the reconstruction of Chile, and for other purposes, having considered the same, report favorably thereon with amendments and recommend that the bill as amended do pass.

The amendments are as follows:

On page 4, line 4, strike the word "gradual" and on page 4, line 5, strike the words "common markets" and insert in lieu thereof "economic cooperation".

On page 4, after line 11, insert the following:

(4) supports the strengthening of free democratic trade unions to raise standards of living through improved management-labor relations;

and renumber the following subsections.

On page 5, line 5, strike the last number "2" and insert in lieu thereof "1".

On page 5, line 7, strike "Secretary of State" and insert in lieu thereof "President" and in lines 8 and 9, strike "Secretary" and insert in lieu thereof "President".

COMMITTEE ACTION

On August 16, 1960, executive communication 2341, consisting of a letter from the Secretary of State, dated August 15, and transmitting a draft of proposed legislation amending the Mutual Security Act of 1954, as amended, entitled "A bill to provide for assistance in the

development of Latin America and in the reconstruction of Chile, and for other purposes," was referred to the Committee on Foreign Affairs.

On August 17, 1960, H.R. 13021, a bill to provide for assistance in the development of Latin America and in the reconstruction of Chile, and for other purposes, was introduced by Hon. Thomas E. Morgan, by request. Before House committee action was completed, the Senate on August 22, 1960, passed two bills, S. 3855 and S. 3861, which together are the same in text as H.R. 13021, and were referred to the Committee on Foreign Affairs.

On August 23, 1960, Acting Secretary of State Douglas Dillon and Assistant Secretary of the Treasury T. Graydon Upton appeared in an open hearing before the Committee on Foreign Affairs on this bill. Subsequently, the committee met to consider the bill H.R. 13021 in executive sessions on August 24 and 25, 1960. On August 25 the committee ordered H.R. 13021 favorably reported with amendments.

MAJOR PROVISIONS

This bill includes four major provisions. It expresses the sense of the Congress as to U.S. policy toward Latin America and recommends steps to be taken for the implementation of that policy. It authorizes an appropriation of \$500 million to carry out in Latin America the purposes set forth in the statement of policy, together with an appropriation of \$100 million for the reconstruction and rehabilitation of Chile. No appropriation of the funds authorized is to be requested during the present session of the Congress.

Section 4 of the bill amends the Mutual Security Act to increase the authorization of an appropriation for the mutual security contingency fund from \$150 million to \$250 million and to suspend for the fiscal year 1961 the limitation contained in section 551 of the Mutual Security Act on the President's special authority to use funds in order to increase the money available for activities normally financed from appropriations for administrative expenses. This authority has been requested by the Executive to deal with world developments which have occurred or are anticipated in areas other than Latin America.

Latin America

U.S. assistance to Latin America in the past has not been adequate and a new approach and more vigorous action are indicated.

The authorization of \$500 million is an essential step toward the planning and implementation of a social development program in Latin America, which includes the Caribbean area. It is anticipated that this program will give primary attention to four broad areas: (1) improvement in the conditions of rural living and land use; (2) improvement of housing and community facilities; (3) improvement of educational systems and training facilities; and (4) improvement in basic sanitation facilities.

The importance of Latin America to the United States and the dependence of the countries of the Western Hemisphere on each other is generally recognized. U.S. exports to the countries of Latin America for 1959 were over \$3.5 billion, or 22 percent of our total exports to all countries. U.S. private investment in Latin America is in excess of \$11 billion. The significance of Latin America to U.S. security has been officially recognized since the days of President Monroe.

U.S. assistance to Latin America in the past has been substantial. As indicated in the following table, two-thirds has been in Export-Import Bank loans.

U.S. assistance to Latin America, obligations and other commitments, fiscal years 1946-59 inclusive

[In millions of dollars]

Country (in order of magnitude as to col. 1)	(Col. 1) Total U.S. aid (col. 2 and col. 3)	(Col. 2) U.S. military aid	(Col. 3) U.S. economic aid ¹	(Col. 4) MSA eco- nomic ²	(Col. 5) Export- Import Bank ²	Other major aid	
						(Col. 6) World Bank (IBRD)	(Col. 7) Inter- national Mone- tary Fund
Brazil.....	1,328.5	108.3	1,220.2	30.5	979.9	280.5	260.7
Argentina.....	451.2		451.2	25.5	390.8		147.5
Mexico.....	420.4	3.5	416.9	6.3	297.2	205.8	67.5
Chile.....	317.5	34.3	283.2	26.9	192.1	106.6	63.7
Peru.....	300.5	46.0	254.5	20.9	189.2	62.6	14.5
Colombia.....	186.8	21.9	164.9	9.1	110.4	130.7	40.0
Bolivia.....	175.3		175.3	117.0	24.3		11.9
Guatemala.....	105.0	0.9	104.1	63.4	1.2	18.2	
Ecuador.....	73.8	18.5	55.3	21.0	22.2	46.6	5.0
Haiti.....	66.4	1.6	64.8	28.2	27.0	2.6	5.4
Costa Rica.....	58.3		58.3	9.7	18.0	6.5	1.2
Panama.....	56.6		56.6	11.4	16.8	7.4	
Venezuela.....	51.9	35.4	16.5	1.1	13.9		
Cuba.....	51.6	11.0	40.6	2.6	37.5		72.5
Uruguay.....	44.7	22.1	22.6	10.5	2.6	64.0	
Paraguay.....	35.2	0.3	34.9	19.7	9.1	5.0	7.1
Honduras.....	31.0	0.8	30.2	17.5	3.5	11.2	10.0
Nicaragua.....	29.8	1.2	28.6	6.2	3.1	23.0	8.0
El Salvador.....	9.0		9.0	6.2		31.6	8.0
Dominican Republic.....	8.7	6.3	2.4	1.8			
Oversea territories in Latin America.....	9.9		9.9	3.7			
Regional.....	28.3	3.3	25.0	25.0			
Total for Latin America.....	3,840.6	315.3	1,3,525.3	464.2	2,339.0	1,002.3	723.0

¹ This includes, in addition to cols. 4 and 5, other assistance such as Public Law 480 and Development Loan Fund.

² Included in col. 3.

NOTE.—Figures may not add due to rounding.

Sources: "U.S. External Assistance, Obligations and Other Commitments," July 1, 1945, through June 30, 1959, prepared by Office of Statistics and Reports, ICA. Statement of loans of the International Bank for Reconstruction and Development, June 30, 1960. International Financial Statistics, vol. XIII, No. 8, August 1960.

This program of social development is not expected to include financing in productive facilities such as hydroelectric power and industrial construction. Its purpose is, rather, to assist in financing basic improvements that will make possible better living conditions for the ordinary citizen and improve his earning capacity. Adequate funds for such improvements are not available except from Government sources.

Acting Secretary of State Douglas Dillon in his testimony before the committee made clear his understanding that progress in the social development of any country is the responsibility of the country concerned and depends more on what the country does for itself than on the availability of financial or other outside assistance. There are indications that the governments of Latin American countries understand and accept the validity of this principle and are ready more than ever before to make the fundamental changes in tax structure, land tenure, and legal procedure which are essential to significant social improvement.

The committee has been assured that no request for the appropriation of any of the funds authorized will be made by the Executive until comprehensive programs for their use have been worked out. The committee has been further assured that assistance from these funds will not be provided until the governments which are to be beneficiaries have given evidence of their determination and ability to carry through the necessary institutional and legislative changes.

Although there is no immediate need for the expenditure of funds under this program, the authorization for the appropriation of such funds is urgent. There has been acceleration of interest on the part of Latin American governments in social development during recent months. The behavior of the Castro regime in Cuba has undoubtedly contributed to this interest. The Latin American governments are giving a high priority to programs for improving the condition of the general population.

This interest has led to a number of international meetings within the framework of the Organization of American States. As a result, the Council of the Organization of American States has convoked a meeting to begin on September 5, 1960, in Bogotá, Colombia, officially known as the "Third Meeting of the Special Committee To Study the Formulation of New Measures for Economic Cooperation." The committee concurs in the judgment of the Executive that it is essential that the United States be prepared at this meeting to offer concrete evidence of its readiness to participate in and contribute to the support of this program. Approval by the Congress of the requested authorization of \$500 million will be evidence of the understanding of the Congress of the problems of the people of the Western Hemisphere and of our readiness to help.

The authorization of this sum is recognized by the executive branch as not binding the next Congress or the new administration to any specific method of implementing the program. The bill specifically provides that the use of the funds authorized is "subject to such further legislative provisions as may be enacted" in order to make clear that, while the executive branch will be able to use appropriations pursuant to the authority contained in the bill, the Congress is on record as underlining its right to enact in authorizing legislation further provisions affecting such use. In order that the Congress may have full information on which better to determine any, and what kind of, additional legislation is necessary, the bill provides that the Secretary of State shall keep the Foreign Affairs Committee of the House and the Foreign Relations Committee of the Senate currently informed about plans and programs for the use of the funds.

Congressional approval of the requested authorization will contribute in a significant manner to the success of the Bogotá meeting and will impose a definite responsibility on the countries of Latin America to press forward in developing and implementing programs of social development.

Failure on the part of the Congress to give its approval would not only have an adverse effect on the meeting at Bogotá and on the effort of the Latin American governments to make essential internal reforms, but would impair our relations with them and make more difficult the cooperative effort which we recognize as essential to the security of the Western Hemisphere.

Chile

The authorization of an appropriation of \$100 million for the reconstruction and rehabilitation of Chile is to assist that nation in its effort to rebuild after the unprecedented damage resulting from the recent series of earthquakes and floods.

According to the Chilean Government's latest estimates, the cost of reconstruction will amount to approximately \$450 million. The largest part of this cost will be met by the Government and people of Chile themselves, but they cannot bear the entire cost and need generous help from outside sources. The United States has already provided emergency help in the form of approximately \$5 million in grants and has promised to provide an additional \$20 million in grants from the contingency fund. An Export-Import Bank reconstruction credit of \$10 million has been extended. It is anticipated that Public Law 480 and other authorities will be used to help meet Chile's needs. In addition to assistance from other countries, the Government of Chile has requested a loan of \$150 million from the United States. While a part of this need may be met through the other means mentioned, Chile will need additional resources of at least \$100 million in order to carry out its reconstruction and maintain financial stability.

Authorization action now will provide the necessary reassurance to the Government of Chile that in undertaking the arduous and burdensome task of reconstruction, which will require substantial sacrifices by its people, and in adhering to its courageous program of economic stabilization, it can depend upon further and timely assistance from the United States.

CONTINGENCY FUND

Section 4(a) amends section 451(b) of the Mutual Security Act to increase the authorization of an appropriation for the contingency fund by \$100 million.

When the executive branch submitted its authorization request in February 1960 for the mutual security program, there was included an item of \$175 million for the contingency fund. The Committee on Foreign Affairs reported, and the House approved, \$100 million. The Senate authorized \$155 million. The final sum agreed upon by the conferees was \$150 million.

In a message to the Congress of August 8 on the legislative program, the President included this statement:

* * * I request a \$100 million increase in the authorization and appropriation for the mutual security contingency fund. This increase is needed to keep America poised for sudden developments, such as those in the Congo where a U.S. airlift and other efforts were needed suddenly and critically. Happily, in this instance, we were able to respond in a matter of hours. We must maintain ourselves in a position to give rapid backing to the efforts of the United Nations in this troubled region.

The contingency fund makes available to the President a sum of money that he may use to deal with unanticipated international developments important to the national interest. Since the passage of the authorization act, two major lines of activity have occurred in the international field that bear directly upon the national interest.

With the collapse of the summit meeting the Soviet Union has intensified its attacks upon the United States and its allies. It has stepped up its threats against our oversea bases and has sent intimidating notes to our allies. It has broken off disarmament talks and engaged in missile tests. U.S. planes have been shot down. The allied position in West Berlin has been under increasing attack. Close to our own shores Soviet penetration in Cuba is growing.

In Africa the current crisis in the Congo points up the kind of international problem that arises when areas move from dependence to independence. In his testimony Mr. Dillon stated that:

* * * It would be quite impracticable at this time for us to describe in definitive terms the kind or dimension of assistance from the United States which it may be sensible and productive to provide [in the Congo]. We are not asking that a decision be made now to provide additional funds for the Congo. What we are asking is that the President have adequate funds on hand to be used for this and like purposes if, as, and when it clearly appears that such action is in the national interest of the United States.

Mr. Dillon made clear that such assistance as the United States may extend to the Congo will be through the offices of the United Nations. The fact that 16 new nations in Africa will gain their independence this year raises the possibility that for some of them the transitional period may raise serious problems beyond their capacity to resolve and where prompt action by the United States may be necessary in our national interest.

INCREASE IN AVAILABILITY OF ADMINISTRATIVE FUNDS

Section 4(b) modifies the authorizing legislation (Mutual Security Act of 1954, as amended (Public Law 665, 83d Cong.)) so as to suspend the application of the restrictive injunction in section 551 insofar as it applies to sections 411(b) and 411(c) for the duration of this present fiscal year. This provision is not deleted from the law, but a measure of temporary relief is afforded to take care of an unforeseen situation.

Authorization and appropriation requests for administrative expenses under sections 411(b) and 411(c) were formulated many months ago, in advance of both the recent congressional action increasing pay scales for Government employees and the unforeseen acceleration of demands for assistance to meet the troublesome political and economic situations in Africa. The Executive has assured the committee that it is not possible within the existing authorization to obtain adequate funds to cover both the pay legislation and necessary administrative expenses for the institution and execution of new programs in the African Continent which the rapidly developing situation is likely to require.

AMENDMENTS

Except for conforming changes in the correction of a typographical error, the committee has approved three amendments:

On page 4, line 5, broader language has been included by substituting the words "economic cooperation" for "common market".

On page 4, after line 11, a new subsection has been added, expressing the support of the Congress for "the strengthening of free democratic trade unions to raise standards of living through improved management-labor relations." This gives formal recognition to the role which it is anticipated that trade unions will play in the development of Latin America and the effort which is essential to assure that they follow the course of freedom and democracy.

On page 5, lines 7, 8, and 9, the appropriation is authorized to be made to the President rather than to the Secretary of State. This conforms to the practice which has been followed in the mutual security legislation.

CHANGES IN EXISTING LAW

In compliance with clause 3 of rule XIII of the Rules of the House of Representatives, changes in existing law made by the bill, as introduced, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in *italic*, existing law in which no change is proposed is shown in roman):

SECTION 451 AND SECTION 551 OF THE MUTUAL SECURITY ACT OF 1954, AS AMENDED

* * * * *

CHAPTER III—CONTINGENCY FUND

SEC. 451. PRESIDENT'S SPECIAL AUTHORITY AND CONTINGENCY FUND.—(a) Of the funds made available for use under this Act, not not to exceed \$150,000,000, in addition to the funds authorized for use under this subsection by subsection (b) of this section, may be used in any fiscal year, without regard to the requirements of this Act or any other Act for which funds are authorized by this Act or any Act appropriating funds for use under this Act, in furtherance of any of the purposes of such Acts, when the President determines that such use is important to the security of the United States. Not to exceed \$100,000,000 of the funds available under this subsection may be expended for any selected persons who are residing in or escapees from the Soviet Union, Poland, Czechoslovakia, Hungary, Rumania, Bulgaria, Albania, Lithuania, Latvia, and Estonia or the Communist-dominated or Communist-occupied areas of Germany, or any Communist-dominated or Communist-occupied areas of Asia and any other countries absorbed by the Soviet Union, either to form such persons into elements of the military forces supporting the North Atlantic Treaty Organization or for other purposes, when the President determines that such assistance will contribute to the defense of the North Atlantic area or to the security of the United States. Certification by the President that he has expended amounts under this Act not in excess of \$50,000,000, and that it is inadvisable to specify the nature of such expenditures, shall be deemed a sufficient voucher for such amounts. Not more than \$30,000,000 of the funds available under this subsection may be allocated to any one nation in any fiscal year.

(b) There is hereby authorized to be appropriated to the President for the fiscal year 1961 not to exceed **[\$150,000,000]** \$250,000,000 for assistance authorized by this Act, other than by title II of chapter II, in accordance with the provisions of this Act applicable to the furnishing of such assistance. \$100,000,000 of the funds authorized to be appropriated pursuant to this subsection for any fiscal year may be used in such year in accordance with the provisions of subsection (a) of this section.

(c) It is the purpose of this Act to advance the cause of freedom. The Congress joins with the President of the United States in proclaiming the hope that the peoples who have been subjected to the captivity of communist despotism shall again enjoy the right of self-determination within a framework which will sustain the peace; that they shall again have the right to choose the form of government under which they will live, and that sovereign rights of self-government shall be restored to them all in accordance with the pledge of the Atlantic Charter. Funds available under subsection (a) of this section may be used for programs of information, relief, exchange of persons, education, and resettlement, to encourage the hopes and aspirations of peoples who have been enslaved by communism.

* * * * *

CHAPTER IV—GENERAL AND ADMINISTRATIVE PROVISIONS

* * * * *

SEC. 551. LIMITATION ON THE USE OF THE PRESIDENT'S SPECIAL AUTHORITY.—The authority contained in sections 403, 451, and 501 of this Act shall not be used to augment appropriations made pursuant to sections 103(b), 408, 411(b), and 411(c) or used otherwise to finance activities which normally would be financed from appropriations for administrative expenses: *Provided, however, That the aforementioned authority may be used during the fiscal year 1961 to finance activities which normally would be financed from appropriations made pursuant to sections 411(b) and 411(c) of this Act.*



[Report No. 2163]

AUGUST 17, 1960

AUGUST 25, 1960

[Omit the part struck through and insert the part printed in italic]

1 are dedicated to the creation and maintenance of gov-
2 ernments which will promote individual freedom;

3 (3) the interests of the American Republics are
4 so interrelated that sound social and economic progress
5 in each is of importance to all and that lack of it in any
6 American Republic may have serious repercussions in
7 others;

8 (4) for the peoples of Latin America to continue
9 to progress within the framework of our common herit-
10 age of democratic ideals, there is a compelling need for
11 the achievement of social and economic advance adequate
12 to meet the legitimate aspirations of the individual citi-
13 zens of the countries of Latin America for a better way
14 of life;

15 (5) there is a need for a plan of hemispheric devel-
16 opment, open to all American Republics which cooper-
17 ate in such plan, based upon a strong production effort,
18 the expansion of foreign trade, the creation and main-
19 tenance of internal financial stability, the growth of
20 free economic and social institutions, and the develop-
21 ment of economic cooperation, including all possible
22 steps to establish and maintain equitable rates of ex-
23 change and to bring about the progressive elimination
24 of trade barriers;

25 (6) mindful of the advantages which the United

1 States has enjoyed through the existence of a large do-
2 mestic market with no internal trade barriers, and believ-
3 ing that similar advantages can accrue to all countries,
4 it is the hope of the people of the United States that
5 all American Republics will jointly exert sustained com-
6 mon efforts which will speedily achieve that economic
7 cooperation in the Western Hemisphere which is essen-
8 tial for lasting peace and prosperity; and

9 (7) accordingly, it is declared to be the policy of
10 the people of the United States to sustain and strengthen
11 principles of individual liberty, free institutions, private
12 enterprise, and genuine independence in the Western
13 Hemisphere through cooperation with all American Re-
14 publics which participate in a joint development pro-
15 gram based upon self-help and mutual efforts.

16 (b) In order to carry forward the above policy, the
17 Congress hereby—

18 (1) urges the President through our constitutional
19 processes to develop cooperative programs on a bilateral
20 or multilateral basis which will set forth specific plans
21 of action designed to foster economic progress and im-
22 provements in the welfare and level of living of all the
23 peoples of the American Republics on the basis of joint
24 aid, mutual effort, and common sacrifice;

25 (2) proposes the development of workable proce-

1 dures to expand hemispheric trade and to moderate ex-
2 treme price fluctuations in commodities which are of ex-
3 ceptional importance in the economies of the American
4 Republics, and encourages the ~~gradual~~ development of
5 regional ~~common markets~~ *economic cooperation* among
6 the American Republics;

7 (3) supports the development of a more accurate
8 and sympathetic understanding among the peoples of
9 the American Republics through a greater interchange
10 of persons, ideas, techniques, and educational, scientific,
11 and cultural achievements;

12 (4) *supports the strengthening of free democratic*
13 *trade unions to raise standards of living through im-*
14 *proved management-labor relations;*

15 ~~(4)~~ (5) favors the progressive development of
16 common standards with respect to the rights and the
17 responsibilities of private investment which flows across
18 national boundaries within the Western Hemisphere;

19 ~~(5)~~ (6) supports the consolidation of the public
20 institutions and agencies of inter-American cooperation,
21 insofar as feasible, within the structure of the Organiza-
22 tion of American States and the strengthening of the
23 personnel resources and authority of the Organization in
24 order that it may play a role of increasing importance in
25 all aspects of hemispheric cooperation; and

1 ~~(6)~~ (7) declares that it is prepared to give care-
2 ful and sympathetic consideration to programs which
3 the President may develop for the purpose of promoting
4 these policies.

5. AUTHORIZATION

SEC. 2. In order to carry out the purposes of section 2 of this Act, there is hereby authorized to be appropriated to the Secretary of State *President* not to exceed \$500,000,000, which shall remain available until expended, and which the Secretary *President* may use, subject to such further legislative provisions as may be enacted, in addition to other funds available for such purposes, on such terms and conditions as he may specify. The Secretary of State shall keep the Committee on Foreign Relations of the Senate and the Committee on Foreign Affairs of the House currently informed about plans and programs for the utilization of such funds.

18 SPECIAL AUTHORIZATION FOR CHILEAN RECONSTRUCTION

19 SEC. 3. There is hereby authorized to be appropriated
20 to the President not to exceed \$100,000,000, which shall
21 remain available until expended, for use, in addition to other
22 funds available for such purposes, in the reconstruction and
23 rehabilitation of Chile on such terms and conditions as the
24 President may specify.

1 MUTUAL SECURITY CONTINGENCY FUND

2 SEC. 4. (a) Section 451 (b) of the Mutual Security Act
3 of 1954, as amended, which relates to the President's special
4 authority and contingency fund, is amended by striking out
5 "\$150,000,000" in the first sentence and substituting
6 "\$250,000,000".

7 (b) Section 551 of the Mutual Security Act of 1954,
8 as amended, which relates to limitation on the use of the
9 President's special authority, is amended by inserting before
10 the period " : *Provided, however,* That the aforementioned
11 authority may be used during the fiscal year 1961 to finance
12 activities which normally would be financed from appropria-
13 tions made pursuant to sections 411 (b) and 411 (c) of this
14 Act".

86TH CONGRESS
2D Session

H. R. 13021

[Report No. 2163]

A BILL

To provide for assistance in the development of Latin America and in the reconstruction of Chile, and for other purposes.

By Mr. MORGAN

AUGUST 17, 1960

Referred to the Committee on Foreign Affairs

AUGUST 25, 1960

Reported with amendments, committed to the Committee of the Whole House on the State of the Union, and ordered to be printed

Aug 30, 1960

Authorizes the President to reduce the quantity of non quota sugar purchased from any country against which collective economic sanctions are agreed to by the United States and other countries, pursuant to treaty, provided that a majority (as defined in the treaty) of such countries implement such sanctions, and with respect to 1960, do so before October 15, 1960. Also provide that if sugar purchases are required from any countries not having quotas, preference shall be given to those countries agreeing to purchase United States agricultural commodities.

9. PRICE SUPPORTS; MILK. The Rules Committee reported a resolution for consideration of S. 2917, to increase the price-support level for manufacturing milk and butterfat for the remainder of the current marketing year, from the date of enactment of the bill until Mar. 31, 1961, to not less than \$3.22 per hundred-weight for manufacturing milk and not less than 59.6 cents per pound for butterfat. p. 17185
10. FORESTRY. Passed without amendment S. J. Res. 209, providing for the establishment of an annual National Forest Products Week. This bill will now be sent to the President. pp. 17101-2
Passed as reported H. R. 11917, to authorize the Secretary of Agriculture to convey a tract of forest land in Lassen County, Calif., to the city of Susanville. p. 17111
Passed without amendment H. R. 12491, to authorize the Secretary of Agriculture to convey a tract of forest land to the county of Fremont, Wyo. p. 17112
Passed without amendment S. 2959, to clarify the right of States to select certain public lands subject to any outstanding mineral lease or permit (pp. 17115-6). This bill will now be sent to the President. A similar bill, H. R. 10102 was tabled.
11. SURPLUS COMMODITIES. Passed without amendment S. 3146, to authorize CCC to donate dairy products and other agricultural commodities for use in home economics courses. This bill will now be sent to the President. p. 17112
12. ACREAGE ALLOTMENTS. Passed with amendment S. 3933, to protect farm and ranch operators making certain land use changes under the Great Plains conservation program against loss of acreage allotments. Agreed to an amendment by Rep. Poage to substitute the language of H. R. 12849. p. 17134
13. CONSERVATION. Passed without amendment S. 2761, to validate payments made for emergency conservation measures under the program authorized by the Third Supplemental Appropriation Act, 1957, which were carried out prior to enactment of the Act. The bill had been reported without amendment earlier in the day by the Agriculture Committee (H. Rept. 2204). This bill will now be sent to the President. pp. 17134, 17185
14. ELECTRIFICATION. Rep. Nelsen defended the administration against charges that it has not supported the REA program sufficiently, and Rep. McCormack and several others discussed this matter with him. pp. 17143-5
15. MILK MARKETING. Rep. Stratton defended Federal Milk Marketing Order No. 27 against criticisms which have recently been directed toward it. pp. 17165-7
Rep. Pirnie spoke against a proposal for a congressional investigation of the Order, in view of the fact that the Department has appealed a recent decision of a district court. He inserted the court decision in the Record. pp. 17174-7.

16. FARM PROGRAM. Rep. Randall discussed the farm problem and recommended production control through payment-in-kind and allotments. pp. 17167-8
17. TAXATION. Received the conference report on H. R. 10960, to amend the Internal Revenue Code with respect to the excise tax on cigars. The conferees agreed to the Senate amendment permitting farmers to write off as an annual expense of operation the purchase of lime and fertilizer, with technical amendments. (H. Rept. 2214). pp. 17177-9
18. IMPORTS. Received the conference report on H. R. 12659, to suspend for a temporary period the import duty on heptanoic acid. The conferees agreed to the Senate amendment clarifying the law regarding free importation of certain water-proof fabrics. (H. Rept. 2212). pp. 17180-1
19. RECLAMATION. The Interior and Insular Affairs Committee reported with amendment S. 1092, to authorize the Cheny division, Wichita reclamation project (H. Rept. 2202), and S. 2195, to authorize the Dalles reclamation project (H. Rept. 2203). p. 17185
20. FOREIGN AID. The Rules Committee reported a resolution for consideration of H. R. 13021, to authorize assistance for development of Latin America and in reconstruction of Chile. p. 17185
21. FISH AND WILDLIFE. The conferees agreed to file a report on H. R. 2565, to promote fish and game conservation and rehabilitation in military reservations. p. D739
22. GRAIN STORAGE; PRICE SUPPORTS. The Government Operations Committee approved the following reports: "Commodity Credit Corporation Grain Storage Activities"; and "Price Support and Production Adjustment Activities" (p. D738). The Committee was granted permission to file these reports by midnight Wed., Aug. 31 (p. 17115).
23. INFORMATION. The Government Operations Committee approved a report, "Executive Branch Practices in Withholding Information From Congressional Committee." p. D738
24. WATERSHEDS. The Agriculture Committee approved work plans for watershed projects in Tex., Okla., Md., Va., N. Mex., Miss., Hawaii, Ga., and Colo. p. 17090
25. PASSED OVER the following bills:
 - H. R. 8074, to provide for the assignment of Agricultural Attaches to duty in the U. S. for 4 years without reduction in grade. p. 17170
 - H. R. 12419, to provide for advance consultation with the Fish and Wildlife Service and State wildlife agencies before beginning any Federal program involving the use of pesticides or other chemicals for mass biological controls. p. 17170
 - H. R. 6743, to provide for certain survivors' annuities in additional cases under the Civil Service Retirement Act. p. 17111
 - S. 2919, to provide for a study and investigation of the desirability and feasibility of establishing and maintaining a national tropical botanic garden. p. 17111

joint resolution of the House of the following titles:

H.R. 900. An act to validate certain overpayments inadvertently made by the United States to several of the States and to relieve certifying and disbursing officers from liability therefrom;

H.R. 2069. An act for the relief of James H. Presley;

H.R. 2178. An act to authorize the Secretary of the Army to make certain changes in the road at White Branch, Grapevine Reservoir, Tex.;

H.R. 4059. An act to amend title 28 of the United States Code relating to actions for infringements of copyrights by the United States;

H.R. 6084. An act for the relief of J. Butler Hyde;

H.R. 6767. An act for the relief of Raymond Baurkot;

H.R. 7124. An act to require the payment of tuition on account of certain persons who attend the public schools of the District of Columbia, and for other purposes;

H.R. 7792. An act for the relief of Martin A. Mastandrea;

H.R. 8054. An act for the relief of William Edgar Weaver;

H.R. 8989. An act for the relief of Ralph W. Anderson;

H.R. 9377. An act to provide for the protection of forest cover for reservoir areas under the jurisdiction of the Secretary of the Army and Chief of Engineers;

H.R. 9406. An act for the relief of William J. Huntsman;

H.R. 9417. An act for the relief of Henry Kalolan;

H.R. 9432. An act for the relief of Maj. Edmund T. Coppinger;

H.R. 9958. An act for the relief of Brooklyn Steel Warehouse Co.;

H.R. 10431. An act for the relief of Isami Nozuka (also known as Isami Notsuka);

H.R. 10598. An act to clarify certain provisions of the Criminal Code relating to the importation or shipment of injurious mammals, birds, amphibians, fish, and reptiles (18 U.S.C. 42(a), 42(b)); and relating to the transportation or receipt of wild mammals or birds taken in violation of State, National, or foreign laws (18 U.S.C. 43), and for other purposes;

H.R. 11165. An act for the relief of Robert J. Reeves;

H.R. 11188. An act for the relief of Edward S. Anderson;

H.R. 11327. An act for the relief of Chauncey A. Ahalt;

H.R. 11390. An act making appropriations for the Departments of Labor, and Health, Education, and Welfare, and related agencies, for the fiscal year ending June 30, 1961, and for other purposes;

H.R. 11420. An act for the relief of Ferdinand Hofacker;

H.R. 11460. An act for the relief of Edouard E. Perret;

H.R. 11486. An act for the relief of Richard J. Power;

H.R. 11813. An act to amend the Menominee Termination Act;

H.R. 12350. An act for the relief of Marion John Nagurski;

H.R. 12471. An act for the relief of Capt. Lucien B. Clark O2051623, MSC, U.S. Army;

H.R. 12475. An act for the relief of Claude L. Wimberly;

H.R. 12476. An act for the relief of John H. Esterline;

H.R. 12530. An act to authorize adjustment, in the public interest, of rentals under leases entered into for the provision of commercial recreational facilities at the John H. Kerr Reservoir, Va.-N.C.;

H.R. 12533. An act to amend the Migratory Bird Treaty Act to increase penalties for violations of that act, and for other purposes;

H.R. 12563. An act to amend the act entitled "An act to provide additional revenue for the District of Columbia, and for other purposes," approved August 17, 1937, as amended;

H.R. 12619, making appropriations for mutual security and related agencies for the fiscal year ending June 30, 1961, and for other purposes; and

H.J. Res. 658. Joint resolution to authorize and request the President to issue a proclamation in connection with the centennial of the birth of Jane Addams, founder and leader of Chicago's Hull House.

ADJOURNMENT

Mr. PORTER. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 50 minutes p.m.), the House adjourned until tomorrow, Wednesday, August 31, 1960, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

2430. Under clause 2 of rule XXIV, a letter from the Deputy Secretary of Defense, transmitting a draft of proposed legislation entitled "a bill to amend section 1037 of title 10, United States Code, to authorize payment of costs for certain United States nationals before foreign tribunals", was taken from the Speaker's table and referred to the Committee on Armed Services.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. ROGERS of Texas: Committee on Interior and Insular Affairs. H.R. 10311. A bill providing that certain provisions of Public Law 335 dated October 7, 1949 (63 Stat. 724), shall apply to the Mercedes division of the lower Rio Grande rehabilitation project, Texas; with amendment (Rept. No. 2201). Referred to the Committee of the Whole House on the State of the Union.

Mr. ROGERS of Texas: Committee on Interior and Insular Affairs. S. 1092. An act to provide for the construction of the Cheney division, Wichita Federal reclamation project, Kansas, and for other purposes; with amendment (Rept. No. 2202). Referred to the Committee of the Whole House on the State of the Union.

Mr. ROGERS of Texas: Committee on Interior and Insular Affairs. S. 2195. An act to authorize the Secretary of the Interior to construct, operate, and maintain the western division of The Dalles Federal reclamation project, Oregon, and for other purposes; with amendment (Rept. No. 2203). Referred to the Committee of the Whole House on the State of the Union.

Mr. COOLEY: Committee on Agriculture. S. 2761. An act to validate payments made for certain emergency conservation measures under the program authorized by the Third Supplemental Appropriation Act, 1957; without amendment (Rept. No. 2204). Referred to the Committee of the Whole House on the State of the Union.

Mr. BONNER: Committee on Merchant Marine and Fisheries. Report pursuant to section 136 of Legislative Appropriation Act of 1946, Public Law 601, 79th Congress; without amendment (Rept. No. 2205). Referred

to the Committee of the Whole House on the State of the Union.

Mr. BONNER: Committee on Merchant Marine and Fisheries. House Resolution 623. Resolution relative to the operation of the Panama Line; with amendment (Rept. No. 2206). Referred to the House Calendar.

Mr. DAWSON: Committee on Government Operations. Twenty-fifth report of the Committee on Government Operations; without amendment (Rept. No. 2207). Referred to the Committee of the Whole House on the State of the Union.

Mr. COLMER: Committee on Rules. House Resolution 636. Resolution for the consideration of S. 2917. An act to establish a price support level for milk and butterfat; without amendment (Rept. No. 2208). Referred to the House Calendar.

Mr. O'NEILL: Committee on Rules. House Resolution 637. Resolution for the consideration of H.R. 13021. A bill to provide for assistance in the development of Latin America and in the reconstruction of Chile, and for other purposes; without amendment (Rept. No. 2209). Referred to the House Calendar.

Mr. BONNER: Committee on Merchant Marine and Fisheries. S. 3018. An act to authorize the Maritime Administration to make advances on Government-insured ship mortgages; with amendment (Rept. No. 2210). Referred to the Committee of the Whole House on the State of the Union.

Mr. THOMAS: Committee of conference. H.R. 13161. A bill making supplemental appropriations for the fiscal year ending June 30, 1961, and for other purposes (Rept. No. 2211). Ordered to be printed.

Mr. MILLS: Committee of conference. H.R. 12659. A bill to suspend for a temporary period the import duty on heptanoic acid (Rept. No. 2212). Ordered to be printed.

Mr. MILLS: Committee of conference. H.R. 12536. A bill relating to the treatment of charges for local advertising for purposes of determining the manufacturers sale price (Rept. No. 2213). Ordered to be printed.

Mr. MILLS: Committee of conference. H.R. 10960. A bill to amend section 5701 of the Internal Revenue Code of 1954 with respect to the excise tax on cigars (Rept. No. 2214). Ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ASPINALL:

H.R. 13218. A bill to provide for the construction, operation, and maintenance of the Savery-Pot Hook Federal reclamation project, Colorado-Wyoming; to the Committee on Interior and Insular Affairs.

By Mr. BAILEY:

H.R. 13219. A bill to provide certain payments to assist in providing improved educational opportunities for children of migrant agricultural employees; to the Committee on Education and Labor.

H.R. 13220. A bill to authorize the Commissioner of Education to enter into contracts for the education of children of migrant agricultural employees, and to provide for fellowships for training teachers of such children; to the Committee on Education and Labor.

By Mr. BLATNIK:

H.R. 13221. A bill to establish the National Foundation on Aging; to the Committee on Education and Labor.

By Mr. INOUE:

H.R. 13222. A bill to provide that the Secretary of State shall investigate and report to the Congress as to the feasibility of establishing a Pacific International House on Sand Island, Hawaii; to the Committee on Foreign Affairs.

By Mr. MARTIN:

H.R. 13223. A bill to amend the Tariff Act of 1930, as amended, with respect to the duties on hair of the cashmere goat; to the Committee on Ways and Means.

By Mr. MILLS:

H.R. 13224. A bill to implement the Agreement on the Importation of Educational, Scientific, and Cultural Materials, opened for signature at Lake Success on November 22, 1950; to the Committee on Ways and Means.

By Mr. THOMSON of Wyoming:

H.R. 13225. A bill to provide for the construction, operation and maintenance of the Savery-Pot Hook Federal reclamation project, Colorado-Wyoming; to the Committee on Interior and Insular Affairs.

By Mr. TOLL:

H.R. 13226. A bill to amend the United States Information and Educational Exchange Act of 1948 to provide for counseling and other assistance to foreign students attending colleges or universities in the United States; to the Committee on Foreign Affairs.

By Mr. WESTLAND:

H.R. 13227. A bill to create the Freedom Commission for the development of the science of counteraction to the world Communist conspiracy and for the training and development of leaders in a total political war; to the Committee on Un-American Activities.

By Mr. COOLEY:

H.R. 13228. A bill to further amend the Trade Agreements Extension Act of 1951, as

amended; to the Committee on Ways and Means.

By Mr. BRADEMAS:

H.J. Res. 803. Joint resolution to provide for the compilation of rubber footwear import statistics by type of footwear; to the Committee on Ways and Means.

By Mr. WESTLAND:

H.J. Res. 804. Joint resolution to authorize the Secretary of Commerce to construct a modern stern ramp trawler to be used for research purposes and authorizing the appropriation of funds; to the Committee on Merchant Marine and Fisheries.

By Mr. GREEN of Pennsylvania:

H. Con. Res. 732. Concurrent resolution expressing the sense of Congress in favor of granting relief to the domestic carpet industry; to the Committee on Ways and Means.

By Mr. BENNETT of Florida:

H. Res. 635. Resolution to provide for an investigation of the Department of Defense directive on transportation of household goods of military and civilian personnel; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ANDERSON of Montana:

H.R. 13229. A bill for the relief of Shi-Kuang Yao; to the Committee on the Judiciary.

By Mr. MARTIN:

H.R. 13230. A bill for the relief of Sih Chuen Liu; to the Committee on the Judiciary.

By Mr. RILEY:

H.R. 13231. A bill for the relief of Jagat Kumar Kaul; to the Committee on the Judiciary.

By Mr. SHELLEY:

H.R. 13232. A bill for the relief of Necasio Agustin, Artemio Agustin, and Gloria Agustin; to the Committee on the Judiciary.

H.R. 13233. A bill for the relief of Leonila Tolentino and Gloria Tolentino; to the Committee on the Judiciary.

By Mr. SHEPPARD:

H.R. 13234. A bill to authorize the conveyance to the former owner thereof of certain property at Chel Air Force Depot, Los Angeles County, Calif., when such property is declared surplus to the needs of the United States; to the Committee on Government Operations.

By Mr. WEIS:

H.R. 13235. A bill for the relief of Antonio Folliero; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII,

539. Mr. STRATTON presented a petition of Mr. Sam Caparossi, Gloversville, N.Y., secretary-treasurer, and 18 other members of local 234 of the International Barbers Union urging adoption of H.R. 11418; to the Committee on Ways and Means.

participation in the Indian Industries Fair to be held in New Delhi in Nov. and Dec. 1961. (See Digest 146 for previous actions on items of interest to this Department.)

12. FOREIGN AID. Passed with amendments H. R. 13021, to authorize the appropriation of \$500 million for economic assistance for Latin America, and \$100 million for the reconstruction and rehabilitation of Chile (pp. 17351-73). Agreed to an amendment by Rep. Bentley to provide that none of the \$500 million authorization shall be used to furnish assistance to any country in Latin America being subjected to economic or diplomatic sanction by the Organization of American States (p. 17372).

The Senate later passed this bill, H. R. 13021, without amendment. This bill will now be sent to the President. (p. 17315)

13. PRICE SUPPORTS; MILK. Passed, by a division vote of 171 to 32, without amendment S. 2917, to increase the price-support level for manufacturing milk and butterfat for the remainder of the current marketing year, from the date of enactment of the bill until Mar. 31, 1961, to not less than \$3.22 per hundredweight for manufacturing milk and not less than 59.6 cents per pound for butterfat. (pp. 17373, 17376-84) This bill will now be sent to the President.

14. TAXATION. Both houses agreed to the conference report on H. R. 10960, to amend the Internal Revenue Code with respect to the excise tax on cigars, and to permit farmers to write off as an annual expense of operation the purchase of lime and fertilizer. Certain clerical amendments, and a technical amendment to clarify the definition of the term "land used in farming" were made by the conferees. (p. 17385, 17239-40) This bill will now be sent to the President.

15. IMPORTS. Both Houses agreed to the conference report on H. R. 12659, to suspend for a temporary period the import duty on heptanoic acid, which contained, as reported by the conferees, a Senate amendment clarifying the law regarding free importation of certain waterproof fabrics. (pp. 17386-7, 17237, 17238) This bill will now be sent to the President.

16. LANDS. Passed as reported S. 3212, to direct the Secretary of the Interior to convey certain public lands in Nevada to the county of Mineral. pp. 17387-8
Passed as reported S. 1670, to provide for the granting of mineral rights in certain homestead lands in the State of Alaska. pp. 17392
Passed as reported S. 3267, to amend the act of Oct. 17, 1940, relating to the disposition of certain public lands in Alaska.

17. RECLAMATION. Passed as reported S. 2195, to authorize the Secretary of the Interior to construct, operate and maintain the western division of the Dalles Federal reclamation project, Oregon. pp. 17390-1
Passed as reported S. 1092, to provide for the construction of the Cheney division, Wichita Federal reclamation project, Kan. pp. 17391-2
Passed as reported H.R. 10311, providing that certain provisions of Public Law 335 dated Oct. 7, 1949, shall apply to the Mercedes division of the lower Rio Grande rehabilitation project. pp. 17392-3

18. FLOOD CONTROL. Rep. Henderson commended the Congress for appropriating the funds necessary for the completion of the Dillon Reservoir on the Licking River in Ohio. p. 17398

19. CONSERVATION RESERVE. Rep. Schwengel accused the Democrats for failure to pass legislation to extend the conservation reserve program which he called "one of our most valuable and effective farm programs." p. 17405
20. WILDLIFE. Both houses received the conference report on H.R. 2565, to promote effectual planning, development, maintenance and coordination of wildlife, fish, and game conservation and rehabilitation in military reservations (H. Rept. 2222), and the Senate agreed to the report. pp. 17297, 17405-6

ITEMS IN APPENDIX

21. PERSONNEL; VETERINARIANS. Extension of remarks of Rep. Canfield inserting an American Veterinary Medical Association resolution requesting the Civil Service Commission to conduct a "complete occupational study and survey of veterinary positions" in this Department. p. A6609
22. PUBLIC DEBT. Rep. McCormack inserted a Library of Congress statement showing the status of public and private debts by years 1952-59. pp. A6615-6
23. PAYROLLING. Extension of remarks of Rep. Broyhill inserting a bulletin, "Summary of One-Check-Payroll Services What Are 'One-Check-Payroll Services?'" p. A6618

BILLS INTRODUCED

24. FOREIGN TRADE. S. 3918, by Sen. Javits, to assist business enterprises, communities, and individuals to make necessary adjustments required by changed economic conditions resulting from the trade policies of the U. S.; to Finance Committee. p. 17193 Remarks of author, pp. 17193-7
25. PROPERTY. S. 3921, by Sen. Hartke, for himself and Sen. Capehart, to authorize certain property located in the State of Indiana to be made available for use by the Clark County 4-H Club, Inc., Clark County, Ind.; to Armed Services Committee. p. 17193 Remarks of author, p. 17197

*(This is a partial report; the balance of the proceedings for August 31 have not yet been printed.)

eral Power Commission on all helium bearing gas; secondly, we tell the FPC to make cost allocations on helium.

I understand an amendment will be offered containing the words "on a volumetric basis," but I am not going to hold up passage of the bill because it does not happen to meet with my full approval.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. ALLOTT. Mr. President, earlier in the day I had sufficient time to discuss the bill upon its merits and to answer questions of various Senators about it. I do not wish either to encumber the RECORD or to take much further time on the bill.

However, I ask unanimous consent to have printed in the RECORD a letter on this general subject from Mr. Kuykendall, Chairman of the Federal Power Commission, dated June 17, 1960, addressed to Hon. CLINTON P. ANDERSON, which letter was a part of the hearings.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

FEDERAL POWER COMMISSION,
Washington, D.C., June 17, 1960.

Re H.R. 10548, 86th Congress, to amend the Helium Act.

HON. CLINTON P. ANDERSON,
U.S. Senate, Washington, D.C.

DEAR SENATOR ANDERSON: We have been advised that at the hearing before your subcommittee on June 15 on the helium bill, H.R. 10548, consideration was given to the language of section 9 which relates to the authority of the Federal Power Commission under the Natural Gas Act. We understand that the first clause of this section is to be amended so that the Natural Gas Act "shall not be applicable to the sale, extraction, processing, transportation, or storage of helium either prior to or subsequent to 'the' separation 'of such helium' from the natural gas with which it is commingled, whether or not the provisions of such act applies to such natural gas," and so forth. The new language which we understand is acceptable to your subcommittee is single quoted.

This amendment would make it clear that the Commission's jurisdiction over natural gas which contains helium is not to be set aside by the bill, but that the Commission would have no jurisdiction over helium while it is commingled with natural gas or after it has been extracted.

It is understood that there was agreement by the subcommittee that all joint costs of exploring for, producing, gathering, and transporting natural gas containing helium should be allocated so that helium will bear its fair share. In other words, helium is to bear some part of the cost of exploration, production, gathering, and transporting to the extraction plant, as well as all proper extraction costs and costs after extraction. This is the principle for which the Commission has been urging consideration by the Congress, and since your subcommittee is in agreement with this principle there would seem to be no difficulty.

The last clause of section 9, however, forbids the allocation to helium of any exploration, production, gathering, processing, compression, transportation, or other costs which were or would have been incurred in the absence of the extraction of the helium. Obviously, if the helium content is 1 percent in volume and the costs are divided on a volume basis, as under the present practice of the Commission, 1 percent of the exploration, production, gathering, compression, and transportation costs up to the helium extrac-

tion plant should be allocated to helium. Otherwise, the consumers of the residue (99 percent) would be carrying these helium costs.

In order to carry out the above purposes, it is recommended that the last clause of section 9 (starting in line 9 of the May 3, 1960, print) be amended to read: "and if a cost of service method is used in determining the rates of a natural gas company under sections 4 and 5 of the Natural Gas Act, as amended, there shall be excluded (1) all income received from the sale of helium, (2) all direct costs incurred in the extraction, processing, compression, transportation, or storage of helium, and (3) that portion of joint costs of exploration, production, gathering, extraction, processing, compression, transportation, or storage properly allocable to helium."

With this amendment, the bill would not cast any additional burden on consumers and it is recommended that it be adopted.

Sincerely,

JEROME K. KUYKENDALL,
Chairman.

Mr. ALLOTT. Mr. President, the situation in which we find ourselves, as the junior Senator from Colorado has previously suggested, is that we have been in conference all afternoon in an attempt to find a way in which we could stop the wastage of this very valuable asset. It is my understanding, as I am sure it is that of other Senators, that by amending this bill slightly, there will be no question—I do not think there is any question now; in my opinion there never has been—of the Federal Power Commission's losing any rights in this matter.

I call up for reading the amendments which I have at the desk.

ASSISTANCE IN DEVELOPMENT OF LATIN AMERICA AND RECON- STRUCTION OF CHILE

Mr. MANSFIELD. Mr. President, will the Senator yield so that the Senator from Arkansas [Mr. FULBRIGHT] may be recognized?

Mr. ALLOTT. I yield for that purpose.

Mr. FULBRIGHT. Mr. President, the House has passed H.R. 13021, which is substantially the same as the bill passed by the Senate. It provides for assistance in the development of Latin America and in the reconstruction of Chile, and for other purposes. The changes which the House has made are very minor. They strike out the \$100 million, which was already carried in our appropriation bill.

I hope the Senate will agree to the House bill.

The PRESIDING OFFICER. The bill will be stated by title.

The LEGISLATIVE CLERK. A bill (H.R. 13021) to provide for assistance in the development of Latin America and in the reconstruction of Chile, and for other purposes.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the bill was read twice by its title, considered, ordered to a third reading, read the third time, and passed.

Mr. FULBRIGHT. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. ALLOTT. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT OF THE HELIUM ACT OF SEPTEMBER 1, 1937, AS AMENDED

The Senate resumed the consideration of the bill (H.R. 10548) to amend the Helium Act of September 1, 1937, as amended, for the defense, security, and the general welfare of the United States.

Mr. ALLOTT. Mr. President, I ask that my amendments be stated.

The PRESIDING OFFICER. The amendments of the Senator from Colorado to the committee amendment will be stated.

The LEGISLATIVE CLERK. It is proposed: On page 29, line 13, to strike the words: "under contract with the United States".

On page 29, line 19, to strike the period and insert at the end of the sentence, the words: "on a volumetric basis".

Mr. ALLOTT. Mr. President, I think the two amendments make very clear what I discussed this morning and what has been further discussed. These are amendments which those in the House feel are necessary. I believe, or hope, the House will accept the bill without a conference if the two amendments are agreed to.

The PRESIDING OFFICER. The question is on agreeing to the amendments to the committee amendment offered by the Senator from Colorado.

The amendments to the committee amendment were agreed to.

Mr. PROXMIRE. Mr. President, will the Senator yield to me so that I may make a comment on the bill before it is passed?

Mr. ALLOTT. I am happy to yield to the Senator from Wisconsin.

Mr. PROXMIRE. Mr. President, I wish to pay tribute to the great fight made by the Senator from Colorado [Mr. CARROLL] on this bill. I know natural gas users, all over America, if they knew what the Senator from Colorado has done in winning this fight, would be deeply grateful to him.

I have listened to the remarks, and I have studied the committee report and the individual views of the Senator from Colorado. I know if it had not been for the fight made by the Senator from Colorado the bill would have removed the Commission's present jurisdiction over the transportation and sale of natural gas containing helium. Secondly the authority to make proper cost allocation in considering revenues from the sale of helium extracted from natural gas would have been forbidden by the bill.

I think the Senator from Colorado has made an absolutely convincing case showing that the cost of the bill, if it had been passed in original form, would have been very great for the natural gas users.

Mr. President, I ask unanimous consent that an article published in the national weekly newspaper Labor, about the gallant fight made by the junior Senator from Colorado [Mr. CARROLL], be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

CARROLL HALTS PLOT BY NATURAL GAS CROWD TO KILL REGULATION AND SOCK CONSUMERS

One of the untold stories of the recent session of Congress concerns how one Senator appears to have stopped a major segment of the powerful natural gas industry from skipping out from under Federal regulation of its prices.

The Senator whose alertness upset this "sneak play" by the gas interests is JOHN CARROLL, a progressive Democrat from Colorado. Actually, the story is not over yet. Congress still has to complete action, at its August session, on the bill involved.

But CARROLL's sounding of the alarm seems to have knocked out the worst of the "sneak play," thereby probably saving consumers of natural gas many millions of dollars a year. Here's what happened.

Back in 1958, the Interior Department asked Congress to pass a bill to conserve America's supply of helium. Helium is a rare gas that's increasingly needed in defense projects. It is found combined with natural gas in the big gas fields of the Texas Panhandle, Oklahoma, Kansas, and Colorado. These fields supply gas to millions of consumers in the Midwest and West.

TRICKY SECTION IN BILL

At present, most of the helium from these fields is not separated from the natural gas and is just wasted. The Interior Department proposed to have the gas companies separate out this helium and then to have the Government store it underground for the Nation's future needs. This idea has won general approval. However, Congress did not act in 1958.

In mid-1959, after consulting with the gas industry, the Interior Department sent to Congress a modified bill. This bill contained a tricky worded new section, concerning exemptions from price regulation under the Natural Gas Act. The new section affected all gas containing helium.

At present the Federal Power Commission has authority to regulate natural gas prices to protect the consumer, but it has not seemed very active in using that authority. In the present case, however, the FPC did spot the danger in the "sneak play" section of the new helium bill.

The FPC last winter wrote the House Interior Committee, which was considering the helium bill. The sneak play section, said the FPC, might "remove the Commission's present jurisdiction over the transportation and sale of natural gas containing helium." It would in any event, the FPC said, penalize consumers of this gas by forbidding proper "cost allocation" to the helium in the gas.

Altogether, the FPC report warned, the sneak play section would "materially impair the effectiveness of this Commission's regulatory responsibilities with respect to natural gas matters."

The House committee, however, brushed aside these protests, relying on denials from the Interior Department. The bill containing the dubious section was reported out and passed by the House in early May on a voice vote, without this issue even being raised.

HALTS STEAMROLLER

The bill then went to the Senate and to its Interior Committee. That is when Senator CARROLL, who's a member of that committee, entered the picture. The Senate committee first held only a quickie 1-day hearing on the bill. But CARROLL put a stop to the "greased skids." As he recalls it:

"I insisted that the FPC witnesses be brought before the committee. They gave unequivocal and unqualified testimony that if we left in the language of the House bill, we would exempt from regulation under the

Natural Gas Act all the gas which contained helium.

"This is an issue of immense importance to the consumers of the Nation," Carroll noted. Recalling the gas industry's many previous attempts to get out from regulation, he said: "This has been one of the great national political issues in recent years."

Working with Willard Gatchell, general counsel of the FPC, Carroll then persuaded the other members of the Senate committee to rewrite the section. This rewriting, according to CARROLL, removed the worst dangers to consumers in the bill.

At present the modified bill still has to pass the Senate and then be adjusted in conference with the House bill, which contains the original sneak play section. However, thanks to CARROLL's fight, it's expected the Senate version will prevail. Thus, due to the alertness of one progressive Senator, a major dodge by the gas industry has apparently been stopped.

Mr. PROXMIRE. I thank the Senator from Colorado [Mr. ALLOTT] for his courtesy.

Mr. ALLOTT. Mr. President, I think, with the addition of the amendments offered by the senior Senator from Colorado to section 11, there is no question whatsoever about jurisdiction.

Mr. President, I yield back my remaining time.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment in the nature of a substitute for the bill, as amended.

The committee amendment in the nature of a substitute, as amended, was agreed to.

The PRESIDING OFFICER. The question is on the engrossment of the amendment and the third reading of the bill.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill (H.R. 10548) was read the third time, and passed.

The title was amended, so as to read: "An act to amend the Helium Act of March 3, 1925, as amended, for the defense security, and the general welfare of the United States."

Mr. ALLOTT. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. BYRD of Virginia. Mr. President, I move to lay that motion on the table.

The PRESIDING OFFICER. The question is on agreeing to the motion to lay on the table the motion to reconsider.

The motion to lay on the table was agreed to.

AVAILABILITY OF EXCESS PROPERTY TO STATE AND COUNTY AGRICULTURAL EXTENSION SERVICES

Mr. STENNIS. Mr. President, it is most encouraging that the Budget Bureau has given approval to a proposal making excess property available to State and county agricultural extension services. I am especially glad that Senator ELLENDER, chairman of our Senate Agriculture Committee, has introduced, by request, S. 3671, to carry out the program recommended by the Budget Bureau. This bill would place extension

service on an equal status with other Government agencies receiving excess property. It would authorize the State extension services to utilize the facilities and services available to Federal agencies for the purpose of acquiring personal property, supplies and services, including the making of purchases from Federal supply service stores and Federal supply schedules required to carry out the extension program.

Last year a special subcommittee of the Government Operations Committee held extensive hearings on my bill, S. 1018, designed to make surplus property available to State extension services. As a result of these hearings and conferences with the administration, the Department of Health, Education, and Welfare and General Services in an administrative ruling determined that State and county extension services are by law components of State agricultural colleges, and as such are eligible to receive donations for Federal surplus personal property. The committee report on S. 1018 had the following to say:

The committee has noted the suggestion which has been made that excess Federal property could be made available to these agricultural extension agencies, were the act of May 8, 1914, further amended in such a way as to establish such agencies as an integral part of the Department of Agriculture for administrative purposes, but took the view that this should be done by the appropriate jurisdictional committees. The committee believes that this suggestion would not only make possible the transfer of excess property from other Federal agencies to the Department of Agriculture for use by such State and county extension service agencies but would, in addition, further clarify their status with respect to their eligibility in Federal procurement and general supply support.

S. 3671 would carry out the recommendations made by the Senate Government Operations Committee.

Mr. President, the Cooperative Extension Service has an active program in over 3,000 counties. The State extension service directors have the responsibility for carrying out the educational program for the Department of Agriculture and are subject to various laws applicable to Federal employees. They are an important part of the land grant college system and as such should have the full use of Federal supply stores and GSA stores.

If this bill is adopted, procedures would be established whereby requisitions could be handled by the State extension office at a central point and the supply needs of county extension offices would be included in the requisitions issued by the State office. This procedure is now being followed in the present authority for State extension services in purchasing GSA stores supplies. S. 3671 will expand this authority to include more complete use of GSA facilities including the right to purchase under Federal supply schedules. These schedules are, in effect, contracts entered into by the Federal Government with private industry under which items are purchased by Government agencies direct from private industry. Items obtainable under Federal supply schedules

The Senate amendments were agreed to.

A motion to reconsider was laid on the table.

ASSISTANCE IN THE DEVELOPMENT OF LATIN AMERICA AND IN THE RECONSTRUCTION OF CHILE

Mr. O'NEILL. Mr. Speaker, by direction of the Committee on Rules, I call up the resolution (H. Res. 637) and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 13021) to provide for assistance in the development of Latin America and in the reconstruction of Chile, and for other purposes. After general debate, which shall be confined to the bill, and shall continue not to exceed two hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Foreign Affairs, the bill shall be read for amendment under the five-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

The SPEAKER. The gentleman from Massachusetts [Mr. O'NEILL] is recognized.

(Mr. O'NEILL asked and was given permission to revise and extend his remarks.)

Mr. O'NEILL. Mr. Speaker, I yield myself such time as I may consume, and at the conclusion of my remarks, I yield 30 minutes to the gentleman from Illinois [Mr. ALLEN].

Mr. Speaker, House Resolution 637 makes in order H.R. 13021, a bill to provide for assistance in the development of Latin America and in the reconstruction of Chile, and for other purposes. It is an open rule with 2 hours of general debate.

There are four major provisions in the bill. One, recommending that steps be taken for the implementation of the policy to help South America and authorize \$500 million to carry out the social development program set forth in a statement of policy that is contained in the bill.

There is also included in the bill \$100 million for Chile. This is a special reconstruction and rehabilitation program that is planned for Chile because of the recent earthquakes that devastated that country.

The bill also carries \$100 million for our South African neighbors, but as I understand, the chairman of the committee will offer a motion to strike that from the bill.

While this bill is an authorization, actually no appropriation will be made this year. This is to meet a special request by the President of the United

States that we give aid and assistance for the purpose of the improvement of conditions of rural life in South American nations, the improvement of housing for the native population, through educational and training facilities, and for the improvement of basic sanitation facilities.

Mr. BAILEY. Mr. Speaker, will the gentleman yield?

Mr. O'NEILL. I yield to the gentleman from West Virginia.

Mr. BAILEY. Would the gentleman interpret the expression he used, "educational and training facilities" to include the building of school classrooms in Latin America under the heading of aid to education?

Mr. O'NEILL. I would say possibly so.

Mr. BAILEY. So far as they cannot do that here at home, I am opposed to the legislation and to the rule.

Mr. O'NEILL. I want to assure the gentleman I have been for Federal aid to education. That was my stand on a matter that has been pending before the Rules Committee, but even though there seems to be some difficulty in being able to get it to the floor of the House, I do not believe we should vote against this bill or penalize our South American neighbors because of that.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. O'NEILL. I yield to the gentleman from Iowa.

Mr. GROSS. Why the haste to pass this bill now if it cannot become effective this year? Why can we not pass it at the next session of Congress?

Mr. O'NEILL. As I understand, there is a meeting of the American nations in Bogota next Saturday, and it is the desire of the administration and the State Department that our representatives at that conference may go armed with what they expect the policy will be in the matter of brotherhood, friendship, and a spirit of willingness to help our South American neighbors.

Mr. GROSS. Is there any doubt about that as far as the United States is concerned?

Mr. O'NEILL. I, like the gentleman, am curious as to what our South American policy will be. I asked the chairman of the committee, but he could not tell me very much about what the State Department was planning. I am not acquainted with what is going on, but I honestly and personally believe this is good legislation and ought to be enacted.

Mr. GROSS. In other words, it is a promise to pay on the part of the United States; is that it?

Mr. O'NEILL. I would say that is so.

Mr. GROSS. And they must know at this meeting in South America all about our willingness to cough up money when they want it without this legislation.

Mr. O'NEILL. All I can say is this is an administration request that was brought to the Committee on Foreign Affairs by Mr. Dillon, Under Secretary of State. They seem to think there is an urgent necessity that our representatives when they go to the meeting be armed with this type of legislation.

Mr. GROSS. There are some bureaucrats somewhere that want to spend more money, I take it.

Mr. FLOOD. Mr. Speaker, will the gentleman yield?

Mr. O'NEILL. I yield to the gentleman from Pennsylvania.

Mr. FLOOD. Mr. Speaker, I asked the gentleman to yield for this purpose: As you know, I am for this rule, and I certainly will be for the bill. But I would like to bring to the attention of the Members of the House that last night in Panama City a great mob of Panamanians went to the airport and there they met the Panamanian Foreign Minister who was returning from the Latin American Conference at San Jose, Costa Rica. They carried him on their shoulders—thousands of them—to the Panamanian Foreign Office, and there the Foreign Minister made this announcement, that he, the Foreign Minister of Panama, met privately and secretly with the Secretary of State of the United States of America, Mr. Herter; that they discussed the question of Panamanian sovereignty over the Panama Canal and the Canal Zone. Now, Mr. Speaker, and my friend from Massachusetts, you all know that on the resolution introduced by the distinguished gentleman from Alabama [Mr. SELDEN], this House on a rollcall vote of 382 to 12 said to the President and to the Secretary of State that any question of sovereignty over the Panama Canal must be dealt with only by revision of a treaty with Panama because the United States of America is sovereign there by treaty, an absolute sovereign.

The Foreign Minister told the Panamanians, and on the first page of the Washington Post this morning is the statement made by the Foreign Minister of Panama, that the American Secretary of State, Mr. Herter, agrees with the position of Panama, contrary to the Constitution of the United States, contrary to the law of the land, which a treaty is. I have brought this matter to the attention of the House for several years, and I now think I have the right to ask: Did the Secretary of State, Mr. Herter, meet with the Foreign Minister of Panama bilaterally or secretly at Costa Rica. If he did, what did they talk about?

The American people and the Members of this House have a right to know what agreements did they make, if any. Has the Secretary of State reported this to the President of the United States? If he did, what did he report? If he did not, why did he not? Is he going to? What is he going to report?

Mr. Speaker, it is my conclusion that the minute this Congress adjourns sine die there will be an executive order issued by the President of the United States upon the recommendation of the Secretary of State to permit the Republic of Panama to fly its flag over all ships passing through the Panama Canal and over the Panama Canal Zone, thereby recognizing sovereignty in Panama, which will be a foot in the door, and as sure as you are sitting there, Mr. Speaker, Panama with the help of Nas-

sar, with the approval of Castro, and the active cooperation of this Latin American red league, is going to demand total sovereignty and kick you out of the Panama Canal. Mark my words on that.

Mr. O'NEILL. Mr. Speaker, I urge the adoption of the rule.

Mr. ALLEN. Mr. Speaker, I yield myself such time as I may require and I ask unanimous consent to proceed out of order.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. ALLEN. Mr. Speaker, I was shocked to read in the morning newspapers that the Pennsylvania Railroad is expected to be closed down by a strike at midnite tonite for the first time in its 114-year history. In fact, lots of its service, both freight and passenger, has already been discontinued because trains cannot reach their destination before the deadline of midnite.

During my entire 28 years of service in this Congress I have had great admiration and respect for the railroad brotherhoods of this country, their leaders and the individual members themselves. There are 24 such railroad brotherhoods, only 2 of which are involved in this situation, representing only 20,000 railroad workers out of a grand total of 930,000 in the country. One of the unions involved is the TWU—Transport Workers Union presided over by Mike Quill. This union represents 15,000 of the 20,000 members. Incidentally, the TWU is only on the Pennsylvania Railroad and does not represent the railroad workers on any other railroad in the country. I am informed that neither the president of the TWU nor the top officials of that union have ever worked one single day for any railroad. This is very unfortunate, for I sincerely believe that if they ever had, their attitude would be completely reversed and more in line with the other 910,000 workers throughout the country.

I am not familiar with the merits of this controversy, but I do know that a neutral referee was appointed, who was acceptable to both the unions and management; that the unions rejected his recommendations and that the railroad management accepted them. Further, that the President appointed an Emergency Fact Finding Board—that the union rejected its recommendations and that railroad management accepted them.

I feel very deeply—that in the public interest—in behalf of the economic welfare of the country—and in the interest of our national defense, that this Congress should go on record as strongly urging the two unions involved, as well as the management of the Pennsylvania Railroad, not to break off their present negotiations, not to go on strike at midnite, but rather to sit in conference continuously hour by hour and day after day, if necessary, until some sort of agreement is reached.

Mr. O'NEILL. Mr. Speaker, I yield 5 minutes to the gentleman from Massachusetts [Mr. MARTIN].

Mr. MARTIN. Mr. Speaker, I ask unanimous consent to speak out of order.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. MARTIN. Mr. Speaker, I was necessarily absent on Monday trying to penetrate the fog of New York City coming back here in an airplane. So, I was unable to join in the many tributes paid to my friend and my old friend, the gentleman from Illinois [Mr. ALLEN]. So, before the expiration of this Congress, I would like to, with your indulgence, do that.

Mr. Speaker, it is difficult for one to say farewell to a loyal friend of 28 years. The parting is softened by the realization that while LEO ALLEN, of Illinois, is laying down his work here in Congress, he will continue to be near us.

LEO ALLEN has been a great legislator; one of our best in the 28 years he has been a Member of Congress. He is a man of courage; a man of convictions, and he never wavered in those convictions. He made friends easily and he never failed in his loyalty to one to whom he gave his friendship.

I was thrown into a close association with LEO when he first came here, when we both lived at the University Club, or as it was then called, the Racquet Club. In those early days we established a firm friendship that grew stronger with the passing of the years.

As a member of and twice chairman of the Rules Committee, he was in a strategic position where his opportunity was great to shape the course of legislation. And, of course, that prominence carried with it the need for the greatest courage and resolutions. LEO never wavered.

On the football fields of the University of Michigan and as a soldier in the First World War, he served with fidelity and distinction.

That LEO should retire at so young an age came as a great shock to his legion of friends. Illinois loses a great voice in our national affairs and the country a faithful, conscientious, and wise legislator that it can ill afford to lose.

To all of us who have been privileged to enjoy his warm friendship, his service here will ever remain an inspiration. As he goes back to his work in private life, we wish for him continued success, good health, and the fullest measure of happiness. His good wife and fine family can well be proud of the record he leaves here.

Mr. O'NEILL. Mr. Speaker, I yield 7 minutes to the gentleman from Massachusetts [Mr. McCORMACK].

Mr. McCORMACK. Mr. Speaker, while I am supporting the rule and this bill, I recognize that the American people are greatly concerned over our reverses of recent years throughout the world and at our loss of prestige. This is particularly so since the death of the late John Foster Dulles. Whether or not we agreed with the late Secretary, everyone recognized that he was firm in his position, that he was a man of strong character and great courage, that he

knew the evil intent and purposes of international communism and that he was the one man throughout the world whom the Communist leaders in the Kremlin and elsewhere feared and respected through fear, particularly so far as our present administration is concerned.

One thing is certain, that there was no uncertainty in the leadership of John Foster Dulles. The fact that our prestige has been shaken cannot be denied.

It is only natural for the American people to ask the question, Why? One thing is certain, that the Democrats are not responsible for our loss of prestige. I can refer to a number of events that have happened but I will confine myself to Cuba. I will not refer in detail now to the poor judgment in the handling of the U-2 incident, or the failure of the summit meeting or the Japanese episode, and a number of others.

For years we have seen the direct efforts and the indirect efforts on the part of the Soviet Union to hurl themselves over Western Europe, and we found Western Europe containing them until recently, when they jumped over Western Europe and landed in Cuba under Castro. They have not only leaped over Western Europe but the Soviet Union has hurled itself over free Europe and within 90 miles of our country. Not only that, but it is using Cuba as a base to threaten us in the Caribbean and, in fact, in all of South America. Cuba, under Castro, is a threat to every South American country as a Communist base directly aimed at the United States.

We have seen American citizens arbitrarily arrested, their rights under international law ruthlessly violated, Americans insulted, American property confiscated, and the Castro regime intentionally allying itself with the Soviet Union as an instrument and avenue of Soviet subversion of South American countries.

It was only the other day we witnessed Castro's latest outburst boasting of his close relationship with and reliance on the Soviet Union. We witnessed the arrogance of Castro's representative at the recent meeting of the Organization of American States. This meeting certainly produced interesting results in many respects. Even there we find the prestige of our country and her standing weakened and impaired.

Secretary Herter offered a reasonable resolution in relation to the Dominican Republic. I do not necessarily say that I subscribe completely to that resolution, but in connection with the tough resolution that was offered by other South American countries it was a reasonable one. The South American countries introduced one imposing all kinds of sanctions and breaking off diplomatic relations with the Dominican Republic. The tough resolution was adopted. We have severed diplomatic relationships with this country, with a country and people that have been friendly to us and, above all, strongly opposed to communism. As a matter of fact, the Dominican Republic and her people have been the strongest anti-Communist country and people of all the South American countries.

I do not subscribe to any dictatorship, but I recognize the fact that in practically all South American countries there is one form or another of dictatorship. I am concerned with the relationship of our country to these countries in connection with the national interests of our country. We break off relations with an anti-Communist country but retain diplomatic relations with the Soviet Union the cause of world unrest, and also with the Castro regime in Cuba. In other words, our country did not have influence enough at the recent meeting of the Organization of American States to have our resolution adopted, and pending on the agenda was another resolution seeking direct action and placing the South American countries in direct action in connection with the Castro regime in Cuba. Secretary Herter wanted a resolution put squarely before the conference condemning the Soviet Union for their efforts to spread their influence in the hemisphere, calling upon Cuba to "reject and repudiate" such moves. We know what happened. A mild resolution was adopted. The toughest resolution possible was adopted against another country that is anti-Communist, and a much milder resolution was adopted against a regime in Cuba that openly boasts of its Communist affiliation and uses that in defiance of the United States of America and for subversive purposes among the countries of South America.

So we find on the one hand the American resolution against the Dominican Republic which was rejected would have been a much more commonsense approach than the one that was adopted. On the other hand, we find our resolution of firmness against the Castro regime also rejected. So it clearly shows that our influence and prestige among the nations of South America have been sharply impaired and weakened. These things cause us to do a little thinking and to do a little wondering, whether or not the day is approaching when we have to do some reevaluating of our foreign policy. I say that as one who has always been strong for mutual assistance. I have evidenced that today on an earlier vote. But, I recognize the fact that the national interest of my country comes first and when I see these things happen—when I see the pincer move from behind the Iron Curtain to Cuba, just 90 miles off our coast; when we see what has happened in Laos and when we realize what are going to be the consequences of what is happening there—as I say, when I see this pincer move going on, then we all must realize that what we need is strong and firm leadership—leadership that the world will respect and that the Soviet Union will also respect and know that such leadership means what they say. What we have to do is to come back to the policy of peace through strength.

Mr. ALLEN. Mr. Speaker, I yield 5 minutes to the gentleman from Ohio [Mr. Bow].

(Mr. BOW asked and was given permission to revise and extend his remarks.)

Mr. BOW. Mr. Speaker, I rise in support of this resolution and in support of the bill. Unlike the distinguished

majority leader who says he has always been for mutual security and evidenced it here today, I cannot say that. I have ever since I have been a Member of the House opposed the bills that have come here on mutual security, and I so voted today. However, this is a bill that I can support. This is a policy that I can support. I believe our relationship with Latin America is undoubtedly the most important of all the world. It has been my privilege as a member of the State Department appropriation subcommittee to travel in almost all the countries of South America and Central America and to know many of their people and to learn of their aspirations and their thinking. You hear sometimes and you read sometimes headlines of anti-Americanism. I do not think there is very much of that. I think there is a feeling of neglect by some of our neighbors to the south of us, that we have in the past shown some neglect of their problems while we have taken care of some of the problems of those who are not so close to us. I believe if we strengthen our relationship within the hemisphere that it will strengthen us in our fight for the free world. It seems to me, as I have traveled throughout much of the world, that we are looking back over our shoulders at history. We are looking at the years in the past and trying to bring them back to today. But, as you travel through the Latin American countries, it seems to me we are facing the horizon and looking forward and not looking backward—we are looking forward into an area of the world that has great possibilities and potentials not only for themselves, not only for our Western Hemisphere, but for the whole free world and for the liberation of the captive nations of the world.

I have a feeling that they are our good neighbors. They are our friends, and I think we can strengthen that friendship by the adoption of this resolution and this bill now pending before the House.

I find myself today supporting this kind of mutual security, because I think it can strengthen us. I hope that many others will consider that these are our neighbors, these are our friends, and I hope that in the debate, when we are considering these matters, that those who oppose it will not discuss too strongly the question of Cuba. I feel badly about Cuba. I agree with the majority leader. We can lead through strength and develop strength and unity in the Western Hemisphere. But let us not in anything we may say lead the Cuban people to believe that we are opposed to the Cuban people. Let us let them know that we are their friends; that it is Castro and the communistic government of Cuba that we oppose and that we of the free world, and we of North America and of the United States are still their good friends and want to bring liberty back to them.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. BOW. I yield.

Mr. McCORMACK. I thoroughly agree with the gentleman's statement. The gentleman will remember that I re-

ferred to the Castro government, and I know the majority of the Cuban people have friendship for us.

Mr. BOW. I did not mean in anything that I said to infer anything else from the gentleman's remarks, but I am fearful that in the heat of this debate somebody will refer to Cuba that will be an aspersion upon the people and not upon Castro and their communistic government.

Mr. BAILEY. Mr. Speaker, will the gentleman yield?

Mr. BOW. I yield.

Mr. BAILEY. How would the gentleman explain the proposition that since we have severed diplomatic relations with the Dominican Republic we have put \$8 million at their disposal; \$51.9 million for Cuba in an appropriation authorized by this legislation.

Mr. BOW. I would say if we look at that we will stop, look, and listen and see why it did happen, but I cannot believe I would say that we should not take care of our neighbors. If we look at our own country where we have spent millions, we can find some difficulties there.

Mr. BAILEY. Why did we curtail the Cuban sugar quota except to deprive them of the funds necessary to finance the program the Communists are trying to carry on in Cuba? Now you are giving them a lot of money to replace that money.

The SPEAKER. The time of the gentleman from Ohio [Mr. Bow] has expired.

Mr. ALLEN of Illinois. Mr. Speaker, I yield the gentleman 5 additional minutes.

Mr. BOW. Does the gentleman want me to yield further?

Mr. BAILEY. I said, How can we justify cutting the sugar quota in Cuba in order to deprive them of funds to carry on the regime they are carrying on, and at the same time giving them cash out of the Treasury?

Mr. BOW. I would say I feel sure that as long as the Castro regime is in power none of the funds we may authorize here would be used in Cuba. But I would assume also that when the Castro regime is out, when there is democracy in Cuba, that perhaps this help would go to them. But certainly none of these funds would go to Cuba as long as Castro is there.

Mr. BAILEY. Not unless the Congress will appropriate the money authorized.

Mr. BOW. That is correct. And then it would be with the limitation that none of it should be used while Castro is there.

Mr. HALEY. Mr. Speaker, will the gentleman yield?

Mr. BOW. I yield to the gentleman from Florida.

Mr. HALEY. Of course the gentleman says we are speaking from a position of strength. I am wondering how the adoption of this resolution and this bill will put us in a position of strength. The gentleman is aware of the fact that in the last 14 years in the Latin American countries we have poured \$7,409 million of the taxpayers' money.

I want to say to the membership of this House we will only be able to speak

from a position of strength when we have a firm foreign policy and stop our giveaway policy, because we are never going to buy from the other nations of the earth the respect of those people by American dollars.

Mr. EOW. I agree with the gentleman to this extent: We will not buy their friendship, but let me say to the gentleman that I have had the pleasure of meeting many fine people from many countries of Latin America and have spent considerable time with them. They are a proud people; they are not asking for handouts, and you are not going to be able to buy their friendship. They do not want handouts. What they want is our support, and that is what I want to give them. I believe this money will come back to us. I do not think this will be a handout operation.

In assessing the quality of the Latin American people let me call the gentleman's attention to what has happened in our own Commonwealth of Puerto Rico. Sure, they are American citizens, and fine citizens, but they have made wonderful strides in the development of their Commonwealth. They have done a great job. I am sure the other countries of Latin America can do likewise with support and guidance from us.

Mr. HALEY. I think the gentleman must realize that in the past 20 or 25 years our foreign policy has been an open checkbook. That is the reason we do not have the respect of the people of the earth.

Mr. BOW. Yes. But that is not the case where we have helped people to help themselves. The people who shall administer this program could well look to the Commonwealth of Puerto Rico for advice and assistance in carrying out any program we may establish.

Mr. Speaker, Luis Ferre, of Puerto Rico, is one of the most loyal Americans I have ever known. He and men like him should be used by our Government in their area of the world.

Luis Ferre recently made a statement in this regard that I should like to call to the attention of the House.

This is what Mr. Ferre has to say on the subject:

But, with the permission of the chairman, I would like to add some remarks on America's general relationship with Latin America and the way in which we Republicans can most effectively advance hemispheric solidarity so needed at this time. I would be deeply grateful if you would relay this part of the record to Senator Cooper and the Foreign Affairs Subcommittee.

As I suggested, before, we Puerto Ricans have had a unique opportunity for understanding both North America and Latin America. Since the end of World War II, we know that the United States has, necessarily, been preoccupied by Communist aggression in all parts of the world. But, while largely anti-Communist, Latin America's first attention has been on another question: how to rise up out of poverty and attain the bounteous life that their northern neighbor has shown to be within the grasp of 20th century man.

Thus, we have begun to appreciate the Latin America argument that our country has tended to neglect the nations of the South. Our eyes have been on Europe and

Asia, and we have too much taken Latin America for granted.

We are now obviously discomfited. Defections from the area of freedom among the Latin American nations are a major threat to our national security.

Furthermore, we acknowledge that while many of the Latin American nations must be classified as underdeveloped areas, they have a greater relative importance than many other such areas, because of their ability to so eloquently articulate complaints against the United States and because of their common Western European heritage. In Latin America, after all, college graduates, trained technicians and skilled workmen are not counted on one's fingers. On the contrary, there are millions of superbly educated people among the Latins—all too many of whom are unfortunately too ready to accept and bespeak the anti-Yanqui line because of a lack of understanding of our basic objectives and aspirations.

To be sure, the United States has extended a great deal of help to Latin America—particularly in the last few years. American free enterprise has accepted the greatest part of the responsibility. According to the Chase Manhattan Bank, for instance, private U.S. investment in Latin America amounted to more than \$8 billion in 1958 alone. More than that, the Export-Import Bank has long played a significant, although too modest role in promoting Latin American development. And, more recently, the United States undertook a 45-percent share in underwriting the \$1 billion Inter-American Development Bank. In addition, there is growing hope that U.S. protectionism—particularly in the form of quotas—can be eased, so that alleged domestic needs no longer so drastically depress the economies of our southern neighbors.

Moreover, during just the last couple of weeks the administration has indicated its intention to launch a further loan-development program. I heartily applaud it for the somber statistics of the want that exists in Latin America—the torrential birthrates, the meager per capita incomes, the tragic lack of sanitation and health facilities—show the need—I must say that much more must be done.

But before making one concrete economic proposal, I shall point out that there is one all-important way in which we can bolster our relations with Latin America—and particularly with the youth cadres who so energetically—perhaps with unnecessary and damaging desperation aspire and lead in the revolution of rising expectations.

The key words here are "revolution of positivism." We must reawaken the knowledge that we are a revolutionary people, that in all of history no other nation has so successfully thrown off and smashed the burdens that man has borne for so long—poverty and tyranny.

We are free and prosperous. It is only through the near achievement of the American dream that the revolution of rising expectations ever occurred in the first place.

Whether a young Latin American is more impelled toward the cause of political liberty or technological progress, the fact is that his original heroes were American—say Abraham Lincoln and the Wright brothers. The essential thing is that we forcefully demonstrate that their values are still truly alive in our modern America, that we relive their dreams every day.

That is, we must embrace the knowledge that we have been and continue to be the most revolutionary country in the world.

Our great principle is our faith in the people. As a result we have approached very near the goal of winning complete freedom for all of our citizens and have virtually eliminated class antagonisms. America's development of a prosperous, all-inclusive mid-

die class, by the way, completely knocks the props out from under the Communist theory. The opportunity for human realization, both material and spiritual, offered by our system can be, therefore, as it has in the past, an inspiration to have-not peoples throughout the world.

The principles that have allowed us to grow, then, will link us more closely than ever with the Latin American people. They have already done so with the people of Puerto Rico—the best proof to the world of how these principles operate successfully under a free society.

However, while I espouse ideas as the most important vehicle by which America can reach and restrengthen its relations with Latin America, there is also a need for concrete, material action. The objective is both to reduce the want of the underdeveloped nations and, at the same time, to sell the West's social and cultural system. Therefore, let me add one specific suggestion:

In approaching the underdeveloped nations of all the world—not just Latin America—let us join together with the now prosperous nations of Western Europe in a plan for "prosperity with freedom." Working with Great Britain, France, West Germany, Italy, Austria, and all the other have nations of free Europe, let us enlist free enterprise as our real missionary.

Business should be encouraged to make further massive investments in the underdeveloped nations. To prove the validity of our system of industrial democracy and social responsibility, the plants established by the Western businessmen should establish high wage rates, afford a broad range of social benefits, encourage labor organization development and open up opportunities for local capital participation.

The Western Governments should get behind this movement, not only by enacting the sort of tax laws that will encourage this missionary force, to go abroad, but also by setting aside funds and techniques to compensate investors against the risk of expropriation or other arbitrary political action. This would be a much more positive way to help our friends.

A program of this sort, needless to say, would not, and could not, meet every need. Yet if our prime reliance as a society of free men is upon ourselves, instead of big government, it seems to me that we must allow free enterprise an important role in our program of assistance to the underdeveloped nations of the world. I am confident we can gain friends and understanding throughout the Western Hemisphere if we encourage this kind of a truly missionary zeal to take hold more and more.

May I thank you for your patience to let me present our case and my views. I appreciate this opportunity very much. Thank you.

Mr. Speaker, these are the words of a great American, a Latin American citizen of the United States. He deserves the confidence of the people of Puerto Rico and the States of the Union.

I hope he shall have the ear of our State Department. I am sure he can give guidance to them in this important work.

Mr. O'NEILL. Mr. Speaker, I yield the remainder of my time to the gentleman from Mississippi [Mr. WILLIAMS].

(Mr. WILLIAMS asked and was given permission to revise and extend his remarks and include extraneous matter.)

Mr. WILLIAMS. Mr. Speaker, reports of the atrocities being committed in the Congo in recent weeks have shocked the sensibilities of the entire civilized world. Reports of children coming out of the

Congo with mutilated hands, the unprovoked beating of American and Canadian airmen, stories of literally hundreds perhaps thousands of criminal assaults upon members of the white minority in the Congo, certainly have stirred the emotions of the world.

For weeks, since these reports began to come out of the Congo I have waited for one of our many civil rights advocates whose hearts are always bleeding for what they call the persecuted Negro minority in the South, to rise on the floor to deplore these rapes and assaults against the civil rights of the white minority in the Congo. But, alas, I have waited until the last day of the Congress and they are silent as the tomb.

Therefore, Mr. Speaker, I am introducing today a resolution, and I would certainly hope that even though it is the last day and we are in the closing hours of this Congress, that the leadership of this body and of the other body might permit the consideration under suspension of the rules or in some other manner of this or a similar resolution.

I shall read this resolution. It is self-explanatory and it is drafted in line with the resolution which was adopted by Congress in 1958, expressing our sympathy for the Hungarian people:

Whereas the riots and disorders following the granting of independence to the Republic of the Congo resulted in heinous atrocities committed against innocent European and American men, women, and children; and

Whereas the perpetrators of these outrageous crimes were members of the Army of the Republic of the Congo; and

Whereas no apparent official effort has been made by appropriate authorities to bring to justice the criminals; and

Whereas the inhuman savagery rampant in the Congo shocks the conscience of decent mankind: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That it is the sense of the Congress of the United States to express through the organs of the United Nations and through all other appropriate channels, the deep sense of indignation of the United States at these acts of barbarism; and be it further

Resolved, That it is the sense of the Congress of the United States that the President of the United States express through all appropriate channels the sympathy of the people of the United States for the victims of Congolese brutality and their families.

Mr. Speaker, in connection with my remarks I shall include a copy of a preliminary report on the atrocities committed by the Congolese Army against the white population of the Republic of the Congo before the intervention of the Belgian forces. This report is dated August 1960, and is an official publication of the Belgian Government information service:

A PRELIMINARY REPORT ON THE ATROCITIES COMMITTED BY THE CONGOLESE ARMY AGAINST THE WHITE POPULATION OF THE REPUBLIC OF THE CONGO BEFORE THE INTERVENTION OF THE BELGIAN FORCES

(Report by His Excellency L. Merchiers, Minister of Justice of Belgium)

(NOTE.—On July 28, 1960, Mr. L. Merchiers, Minister of Justice of Belgium, gave to the press the following preliminary report on the atrocities committed by the Congolese Army against white people in the Congo, which

motivated the intervention of the Belgian armed forces. When Mr. Kanza, Minister of the Congo to the U.N., appeared before the Security Council, he qualified these atrocities as *petits abus*, minor abuses. When Mr. P. Lumumba, Prime Minister of the Congo, addressed the press at the U.N., he declared that possibly a few European women had "been disturbed in their honor". Later, when in Canada, Mr. Lumumba stated that nothing of the kind had happened. When he was confronted with the declaration of the American Ambassador to the Congo, Mr. C. Timberlake, who, on his arrival from the Congo, declared that American missionaries had been raped by Congolese, Mr. Lumumba, according to the press, denied this. In the meantime, the press reported that 291 Belgian women had testified to the ignoble treatment they had suffered, that about 300 men had been brutalized and beaten and that about 20 men had been killed.)

Events in the Congo, following the mutiny of the Congo Armed Forces, rapidly took a tragic turn, which forced the Belgian Government to take urgent measures to protect white residents, both Belgian and foreign. These measures were dictated by human considerations and the imperative duty to save men, women and children who found themselves in immediate and extreme danger.

These measures had become for the Belgian Government an inescapable moral duty following the mutiny of the Congo Armed Forces which were in charge of maintaining order in the country.

A number of Congolese leaders have tried to mislead world opinion by casting doubts on the tragic reality of the facts. In view of this, the Belgian Government decided that it was its urgent duty to inform the world about the acts of violence and the atrocities that have taken place.

In relation to the scope of the mutiny, the number of persons killed seems to have been relatively small, at least on the basis of the information that is at present available. It is impossible to say at this stage how many of the people that are missing, were killed.

On the other hand, the acts of abasement of human dignity, of humiliation, of the most extreme actions against mankind and the civilized conception of human values, were the rule, as if there had been given an order to do all that was possible to humiliate men and women but to avoid before world opinion, the reproach of massacres.

The Belgian Government intends to bring all the facts to light. By royal decree of the 16th of July 1960, a commission of inquiry was created, in charge of investigating all the acts of violence perpetrated against human beings in the Congo since the day when Belgium freely and generously granted independence to that country.

In order to insure the objective and independent character of the commission, it is composed exclusively of high judges of Belgian courts. It is presided over by a counselor of the Cour de Cassation. Its three members are counselors at the courts of appeal of the realm.

The commission is not under the control of the Government: its sole obligation toward the authorities is to submit a report on its mission and findings. It has extensive powers and it can call on the cooperation of courts and judges in the country, on the police and even on private individuals.

Cases are investigated by judges, public prosecutors, members of the bar, as well as by the usual personnel of the police and the gendarmerie.

Some inquiries are conducted by women investigators who are in charge of collecting information of a very personal and delicate nature: women judges, women inquirers, social assistants and women doctors.

All these steps were taken to enable victims and witnesses to be heard at home or at

a place of their own choice, with the tact and discretion required by the situation.

The Belgian radio has broadcast appeals to induce victims and witnesses who were not approached by the investigators, to take the initiative of making a statement either in writing to the Commission of Inquiry, Palace of Justice, Brussels, or of getting in touch directly with the police station of their own choice.

The commission is taking every precaution to keep its investigation as discreet as possible. It refuses to communicate the names of the victims and the witnesses and other elements of information which might help to identify the persons that were questioned.

The preliminary results of the thorough and extensive investigation which the commission is undertaking at present, are only cursorily described in the following pages.

The commission started its investigation on the 17th of July, the flow of witnesses continues and what information we possess at the present moment is only a fraction of what we shall have the profound regret to learn later.

However, it must be stressed that the facts described in the present preliminary report are among those which the commission can retain as established and proved as of now. Cases which left the slightest doubt have been omitted until they can be verified on the basis of evidence given by direct and impartial witnesses. On the other hand, it was not possible to publish in this preliminary report all the information which the commission has already verified. A complete report may be published later, probably in the form of a white book.

It is with reluctance that the often painful details that follow are published. The events are described as tactfully as possible. But in view of some of the statements which cast a doubt on the real savagery of which the whites in the Congo were the victims, the Belgian Government thinks that it is necessary to provide full information on some acts which have been proved for certain, even if the publication of them may seem offensive to certain codes of decency.

The report that follows only gives a fragmentary picture of what happened: (1) in the province of Léopoldville, (2) in the Kasal province, (3) in the Equator province.

I. PROVINCE OF LEOPOLDVILLE

A. Kisantu and Inkisi

Mrs. ——— was at home on the 5th of July, 1960, at Kisantu with her mother and four children. Around 4 p.m. African soldiers pushed her in a bedroom, and raped her, all four of them in turn. Between 7 and 8 p.m. 12 soldiers and an African gendarme came back to the house. After having pushed out the husband and the children, the 12 soldiers raped her in the same room. Altogether Mrs. ——— was raped 16 times.

Miss ——— was at Inkisi with three friends in the night of the 5th to the 6th of July. African soldiers seized her, threw her on the floor and maltreated her over her whole body in view of raping her. A Congolese chauffeur succeeded in chasing them away. Miss ——— thus escaped raping, but is at present under treatment.

On the 6th of July 1960, at Inkisi, Mr. ——— was slapped in the face and hit with rifle butts by African soldiers who took him to prison. With two other white men, whom he named, he was forced during more than 1 hour and a quarter to flatten coils of barbed wire with his bare feet.

When he was taken out of prison, he was hit in the spine with a rifle butt so hard that he fell on the ground, whereupon he was hit over the whole body in the same manner. After this, he was brutally dragged back to his home. During the night, African soldiers returned to his house and forced Mr. ——— and two other white men to stay with uplifted arms in the backyard of the

house. Meanwhile, a number of soldiers attempted to rape the women in the house.

At Inkisi, on July 6 1960, Mrs. ——— only just escaped raping, thanks to a nervous crises of a friend, which frightened the assaulters.

On the 6th day of July 1960, at Inkisi, Miss ——— was at home around 8:30 p.m. with three friends, when five or six soldiers entered the house. Two or three of them dragged one of the young women in a room. When she cried for help, Miss ——— burst into the room where her friend was fighting the assaulters, but the soldiers grasped her and dragged her from one side to another of the room. They tried to rape her, tearing her clothes and hitting her. But they did not succeed. A black policeman put an end to the scene. A few minutes later, a Congolese sergeant broke into the room and tried several times to rape one of the ladies in the presence of her four children. The lady fainted two or three times. The soldier thereupon attacked another young lady and dragged her into an adjoining room from which cries for help could be heard. The soldier remained about fifteen minutes with his victim.

B. Banza-Boma

On the 5th day of July 1960, Mrs. ——— was at Banza-Boma with a very small child. Mrs. ——— said that she was two months pregnant. Soldiers forced her to come out on the barza. She was raped by four soldiers in succession.

Mrs. ——— said that around the same time a lady, whose name she mentioned, was raped at Banza-Boma.

At Banza-Boma, on the 6th of July 1960, around noon, Mrs. ——— was raped by a Congolese soldier at gunpoint, after her husband had been taken away by soldiers accompanied by the secretary of the ABAKO at Madimba.

C. Matadi

On the 8th day of July, at Matadi, the Swiss subject N—— was arrested around ten o'clock by Congolese policemen. At the Damoi camp, he was hit in the back with rifle butts, while a policeman told him, literally: "that's independence". Later he was insulted, humiliated and hit with rifle butts.

At Matadi, on July 8 around 11 o'clock, 12 Congolese policemen arrived in the city and, threatening with rifles, took away the valid male population.

Mrs. ——— had taken refuge in a house with four other ladies and children. The policemen returned to loot the house, smash the doors, and break the windows. One of the Congolese policemen entered the room where the women and children were together. He took away a girl of 14, threatening with his gun. When she heard the cries of horror and pain of the child, Mrs. ——— realized that the policeman was raping her. After that, Mrs. ——— was also raped.

When Mrs. ——— cried, the policeman put his knife on her throat. Mrs. ——— noticed traces of blood, offering proof that the girl was raped. After Mrs. ——— two other ladies were raped.

The fourth lady escaped, thanks to the intervention of an African priest and a European.

On July 8, at Matadi, Mrs. ——— was staying in a villa together with six other ladies. A Congolese patrol burst into the house, smashing the door. Several of them were wearing civilian clothes, others were in uniform. Mrs. ——— was isolated in a bedroom and raped.

Mrs. Z was at Matadi, on July 8, around 1 o'clock at noon, when three soldiers of the Force Publique came to search the house. One of them raped Mrs. Z.

D. Sanda

Mrs. ——— was arrested by approximately 10 soldiers of the Force Publique at her home

in the Seke-Banza territory on July 9. She was taken to Sanda. She was assaulted, kicked over her whole body, and dragged over the ground by her hair. Around 11 o'clock at night, four soldiers, among them a Congolese noncommissioned officer, forced her, together with another lady, to work for 2 hours in the savannah under the menace of their guns. They were severely injured.

Back home, the two ladies were separated. One of them was raped three times by the noncommissioned officer, according to what Mrs. ——— heard.

Mrs. ——— herself was raped three times by three different soldiers.

The following morning, Congolese soldiers twisted her hand, which is still bandaged.

A third and a fourth lady, the latter Portuguese, could avoid being raped by offering 500 francs to soldiers during the same night of the 8-9th of July. Like the others, they were forced to pluck weeds, under the menace of death.

E. Zanzi-Kua

Mr. ——— was staying at Malanga and during the night of the 11th of July fled in the direction of Angola. A convoy of 7 cars was attacked at Zanzi-Kua near the offices of the ABAKO. One of the cars was carrying his wife and his two daughters. The car in front of his was stopped by Congolese. He tried to escape but was fired at several times. His wife was hit in the face by a bullet and dropped dead.

F. Kimpese

At Kimpese, on the 13th of July, around 6 p.m. about 12 soldiers and 100 civilians came to the house of Mr. ——— who was taken away by car with his wife and his three children below 16 in the direction of Leopoldville. The woman was separated from her husband, and in the car that took her away with her two youngest children, she was raped three times by the Congolese soldiers. They hit the child aged 9, and undressed a baby of two "to make sure that it was a boy."

Mrs. ——— was raped at Kimpese in the night of the 13th to the 14th of July, at the same time as Mrs. B. She was raped a second time, at the same time as five other women. The following day, on the road to Thysville, the women were placed in a line, and raped a third time, some of them in the presence of their children.

Mrs. A was raped four times at Kimpese in the night of 13-14th of July, in the presence of her child aged 3.

Mrs. X was raped 10 times at Kimpese in the night of the 13-14th of July, in the presence of her children, after her husband was raped and clubbed.

G. Wono (Thysville)

On the 13th of July, two families, among which that of Mrs. A at Wono, took refuge in the savannah, but they were discovered by Congolese policemen. The men were roped and pushed with a pregnant woman on a truck. Four other women were pushed on another truck and transferred to Kimpese where the women were shut in a small room with five other women and four children. Around nine at night one woman was taken out and raped, later two more underwent the same treatment, and later still Mrs. A was raped. She was taken back to the cell, but taken out again three or four times by a policeman who raped her each time.

The following day the families were pushed on a truck. At a stop, the soldiers dragged women and children into the bush and raped the former. Mrs. A was raped five or six times in the presence of her child and other children.

On the road to Thysville, she was hit in the right eye and still bears traces of it.

Mrs. A was thus raped at least 10 times.

Mr. ——— lived at Wono when on the 13th of July Congolese policemen broke into his

house. They tied his hands together with telephone wire, and forced him on his knees. He was slapped in the face, clubbed and hit with rifle butts in the back and on the arms and kicked in his back and on his legs. Natives took part in this. His three companions received the same treatment. He was pushed on a truck by two Congolese, one of them holding him by the head and the other by the feet. At that moment the natives seemed to watch them with pity. While the women were pushed on the other truck, the whites were beaten again. The natives used violence trying to put rotten manioc into their mouth. At every stop between Wono and Kimpese, the prisoners were stoned and beaten by the natives. The brother of Mr. ——— escaped death thanks to a member of the ABAKO.

At Zombe, the men were roped together three by three by the neck, and were once more beaten up by the natives and the policemen.

Imprisoned at Kimpese, they had to lie down on the cement floor. They were obliged to urinate in their trousers and forced to drink from a cup in which the blacks had urinated. They were repeatedly beaten until dawn.

During the transfer to Lukala, they were beaten once more by the soldiers, beaten again at Lukala, and sent to Thysville, where they were looked after by a doctor.

H. Camp Hardy

On the 4th of July, after the 4 days of festivities which had marked the proclamation of independence, the whites noticed that excitement among the Congolese soldiers was growing. At night, this excitement had become disquieting.

Armed with machetes, the threatening Congolese soldiers told their officers that they were now the masters. After they had broken into the munition depots, they were in fact so.

On the 5th, the officers assembled on the hill overlooking the European city, with their wives and children. In the night of the 5th and 6th of July, whites were detained in their houses. On the 6th, a Congolese delegation, which included Mr. Diomi, a Congolese cabinet minister, tried to restore calm among the Congolese. It saw how three officers from another camp had been seriously wounded by the Congolese soldiers, and brought back, some of them in a state of collapse, on stretchers to Camp Hardy. The same evening there was an intervention of President Kasavubu and Premier Lumumba and the officers returned to their home.

From the 7th to the 10th, the whites resumed work normally, but the Congolese did not show up.

On the 11th, in the afternoon, armed black soldiers disarmed the officers and non-commissioned officers, put them in prison, after having taken away their possessions, and beaten them with rifle butts.

At the same time, the whites of Sonankulu were imprisoned in the Thysville goal. They were humiliated, stripped, spat in the face, beaten, and ridiculed.

Finally, officers from the two camps and civilians among whom there were priests whose beard they attempted to burn, were locked in the same cell. They were left without anything to eat or to drink. It is true that some of them were given some water, but it seemed to come from the latrines. Others were permitted to have somebody send for food at home, but in the case of one soldier who fetched food, the wife of the officer who gave it to him was raped.

As to the acts of violence committed against men, following cases may be mentioned:

On the 6th of July, at Thysville, a man named C was taken by Congolese soldiers to Camp Hardy, under the hostile shouts of the population. He was beaten and, among

others, he was hit with a rifle butt in the back.

The man named V was at Thysville, Camp Hardy, on the 5th and 6th of July. He was put in prison for 2 days without food, under the menace of an automatic weapon, with his wife and three children below 12. After he was set free, he was arrested again on the 11th around 3 o'clock in the afternoon. He was stripped like the others, hit with fists, feet, and rifle butts. Two of his companions were mortally wounded. For 2 more days they were left without drink or food. Soldiers attempted to drown them in a barrel filled with water, but a sergeant prevented them from doing so.

Mr. ——— lived at the military Camp Hardy at Thysville. On the 6th of July, and again on the 11th and 12th of July, he was beaten by native soldiers.

M, a Belgian officer, said that the situation deteriorated in the camp at Thysville on the 5th of July. The officers were practically prisoners, and two of them were beaten with sticks and stoned. On the 11th of July, M was put in a prison cell after having been beaten and hit with a rifle butt. For about 3 days, he and the other prisoners were without food or drink. At a certain moment, they received water, but M thinks that it was water from the latrines.

After the men had been made defenseless, the majority of the white women were raped.

Raping scenes have been described by the victims in lurid terms. The Congolese soldiers attacked all the women, even those that were visibly pregnant, women that had recently given birth to a child, and sick women. To get what they were after, they committed acts of violence and threatened with their weapons. In a great many cases, they threatened the children with death to make their mothers give in.

Some women were raped by a great many men in succession and could not tell the number of assaults committed against them. In many cases, these scenes took place in the presence of children and, in particular, in the presence of the children of the victims.

Some ladies sacrificed themselves to avoid the worst for their children or for a sick friend. Not all the girls escaped the soldiers' brutality.

It must be noted, that some of the victims lost consciousness as a result of the acts of violence. When they thought that their victims were dead, the soldiers ran away.

Of the 29 white women that have already been questioned by the Commission, 19, or two-thirds of them, have admitted that they were raped. This figure only includes the cases of rape certified by the statement of the victim, excluding the numberless attempts at rape.

Some women escaped the acts of violence, either by feigning absence (one of them shut herself up with her girl for 2 days in a washroom), or thanks to the intervention of a Congolese soldier who remained faithful.

These cases of rape present a serious danger of venereal contagion.

A FEW CONCRETE EXAMPLES

As stated already, the man named "V" was at the Hardy Camp, Thysville, on the 5th and 6th of July. He was imprisoned for 2 days without food, and his wife and three children aged less than 12, under the menace of an automatic weapon. After he was freed, he was arrested again on the 11th of July, around 3 o'clock in the afternoon. He was stripped, like the others, and hit with fists, feet, and rifle butts. Two of his companions were mortally wounded. For 2 more days they were deprived of food and drink. Soldiers tried to drown him in a barrel filled with water, but a sergeant prevented them.

On the same day (11th of July), his wife was assaulted in her bedroom. She was hit with fists and rifle butts by six soldiers, who

got hold of her and made deep cuts in her arms, of which the Commission has found traces. They stripped her of her underwear and raped her. Six soldiers held her tight and motionless, while an undetermined number of soldiers raped her. They stood in line while waiting for their turn. Her three children were present at the scene crying loudly.

Other soldiers got hold of her daughter aged less than 12 and raped her several times.

Shortly afterward, three soldiers again entered her room and raped Mrs. Z in turn. While one of them raped her, the two others held her motionless. The children were again present.

Shortly after they left, other soldiers came to the house and raped Mrs. Z in the same manner.

These scenes continued from dusk until dawn.

Six of the European women living in the same street had been raped in the same circumstances.

The following day, the soldiers came back, but they found the house barricaded by the women. They set fire to the curtains, but a Congolese sergeant major stopped them and chased the soldiers away.

On the 13th, the soldiers again penetrated the house, but, despite the menace of weapons, Mrs. Z fled to the house of a neighbor where her children were able to join her.

The child of 11 who was raped was not questioned by the Commission. Her state of health does not permit it for the moment.

On the 11th of July, Mrs. ——— accompanied by her husband and two children, left Malanga-Gare, from a point known as Bloc 110. They were arrested by civilians of the ABAKO, searched, imprisoned, and beaten all night. They were all taken to Thysville, where they arrived on the 12th toward midnight. Mrs. ——— was alone in a cell with her children aged less than 7, when a group of about 10 soldiers arrived. One of them held her by the arms, another by the legs, a third held his hand on her mouth to prevent her from screaming, a fourth pulled her hair and slapped her face. She was raped a dozen times in the presence of the children who huddled in a corner together. This scene lasted from 2 till 4:30 in the morning. The family was saved by a white doctor.

As told already, M, who lived at the Hardy Camp at Thysville, was beaten twice by Congolese soldiers on the 6th and the 11-12th of July. His wife was the victim of acts of violence committed by four African soldiers. On the 11th, toward 6 p.m. two soldiers attempted to rape her. A third soldier succeeded. This lady said that nine-tenths of the white women at Camp Hardy were the victims of similar brutalities.

Mrs. ——— was on the 11th of July at the home of Mrs. B at Camp Hardy, Thysville, with a small child, while her husband had been put in prison by Congolese soldiers. The latter broke into the house, where, besides the aforementioned ladies, were Mrs. C 7 months pregnant, and Mrs. D with her small child. Mrs. A was taken back to her house. Soldiers started a fight to know who would have Mrs. A, who finally was handed over to two of them who belonged to the transport unit of Camp Hardy, and who both raped her. Later, she was taken back to Mrs. D's home, where she met Mrs. E, F, and G who told her that they had also been raped.

In the evening of the 12th of July, these ladies were taken back to their respective homes, except Mrs. B who later told Mrs. A that she had been raped by a Congolese soldier while she was alone. Mrs. A found her home looted.

Mrs. A was at Camp Hardy at the home of Mrs. B with Mrs. C, where all three of them were raped by Congolese soldiers in the presence of the children. The soldiers also scratched and hurt a baby of 9 months old.

Mrs. A was raped 10 to 15 times during two consecutive nights.

Mrs. ——— was at Camp Hardy at Thysville. She was pregnant. When she came home, two Congolese soldiers were waiting for her, and, menacing her with their weapons, pushed her into a room. One of them raped her once, the other twice. While one of them was raping her, the other was pointing his gun at her. Mrs. ——— is in danger of miscarriage.

On the 11th of July, toward 8 p.m., in the Thysville military camp, five or six soldiers searched the house of Mrs. ———. The first one who raped her, had previously taken her by the throat. She was raped by four soldiers. The fourth stayed with her all night to protect her against new assaults.

Mrs. ——— was at Camp Hardy, Thysville, on the 11th of July. Toward 9 in the evening, Congolese soldiers of the transport unit broke into her house. They hit her with rifle butts, put an automatic gun in her neck and a bayonet on her chest. Three or four times attempts were made to rape her. Soldiers pulled hair from her pubis and tried to make her swallow it. A soldier thrust his fingers, covered by something rough like sandpaper, into her. She was severely torn and fainted without recovering until the next day. She presumes that they continued their acts of torture. The scene took place in the presence of her son, aged 11.

Mrs. ——— is still under medical care.

Mrs. ——— was raped at gunpoint in Camp Hardy, Thysville, on the 11th of July, toward 6 o'clock at night, immediately after the arrest of her husband.

Toward 8 a.m. on the same day, the Congolese soldiers returned and again raped Mrs. ———, as well as a neighbor, threatening them or their children. The raping continued during the whole night of 12-13th of July. The scenes often took place in the presence of the children, among whom two boys of 17 and 13 and a girl of 12.

The sentries, who were posted by a non-commissioned Congolese officer for the protection of the women, were the first to break into the house.

Mrs. ——— was at Camp Hardy, Thysville, when her husband was arrested on the 11th of July by Congolese soldiers. They searched the house and attempted to rape her in front of her son, aged 4, saying: "We are going to beat up your husbands and have a good time with you." She was hit with a rifle butt, and one of the children bit a soldier's leg. Three soldiers slapped the boy and put a bayonet to his heart, menacing him with their rifles, ready to shoot. They tried to rape Mrs. ———.

The soldiers burnt the hand of the mother with a lighted cigarette to show the child what they would do if she continued to put up resistance.

The boy was finally taken to another room. Mrs. ——— was raped continually from 6 till 8:30 p.m. At least a dozen Africans abused her. They left when they thought she would die.

On the 11th of July, Mrs. ——— and her family were in a convoy of seven cars with people being evacuated towards Angola. At 8 in the evening, the last four cars were stopped at Sensikua (Songolo). The captives were taken to the ABAKO offices. All of them were beaten by civilians with belts, feet and fists. Mrs. ——— was dragged by the hair from one room to another. The following day they were taken by Congolese soldiers to Camp Hardy, Thysville.

In the night of 12-13th of July Congolese soldiers attempted to rape Mrs. A, as well as Mrs. B and Mrs. C in the sentries' room, in

the presence of their children. Some of them held the women, while others attempted to rape them. One of the soldiers threatened Mrs. A with his bayonet. Mrs. A's resistance was broken and she was finally raped by one soldier, and taken to a cell with her two young children who witnessed the scene. The soldiers returned to take away the children, whom, it seemed to her, she heard crying in the sentries' room. In the cell she was raped again by two soldiers. One held her by the throat, while the other abused her. At one moment, six soldiers were surrounding her. One of the soldiers who raped her, violently grasped and twisted her right breast. She was shouting at the top of her voice. Later, her children were brought back to her. She could hear her neighbor crying loudly, Mrs. B, who was the victim of the same acts of brutality.

A soldier returned to the cell, and exhibiting himself, demanded that Mrs. A yield to him. He threatened to take her little girl away, if she did not consent. Nevertheless, she resisted, but was slapped repeatedly in the face.

Mr. ——— confirmed that part of his wife's statement relating to the scenes they experienced together, and said that the men had been maltreated. He himself had been beaten, his shoes stolen and he was bound hands and feet. He was also beaten by members of the ABAKO.

He heard the cries of women, he recognized the sound of his wife's voice and realized that she was being raped.

Also at Camp Hardy, Thysville, in the night of the 11th of July, a group of about 10 soldiers, some of them drunk, came to the house of Lieutenant A. where they found his wife, Mrs. B. and a family of friends C.

The soldiers got hold of Mrs. A and Mrs. B, and took them to the room where their children were sleeping. Mrs. B was raped, even though she was pregnant for 5 months, by two soldiers in succession, who had threatened her children aged 5 and 3 so that she could fear for their lives. Mrs. B is at present receiving medical treatment. In the same room, Mrs. A was raped by soldiers on the bed in which the children slept. Mrs. C, who was taken to another room, was raped after soldiers had begun to hit her baby 9 months old.

Mrs. A the wife of a Belgian officer at Camp Hardy, Thysville, gave life to a baby on the 2d of July and left the hospital to return home. On the 11th, her husband and other Europeans were arrested by Congolese soldiers. She stayed at her home with three ladies and four children. Congolese soldiers came to search the house. They told Mrs. B. and Mrs. C to go home. One of them slapped Mrs. B in the face, and tightly pressed her throat with a muffler, before taking back Mrs. C.

Mrs. A. heard loud cries and learned that the soldier had tried to rape Mrs. C. Around midnight, after several attempts by Congolese soldiers to enter the house, six soldiers broke the windowpanes and penetrated into the bedroom where they found Mrs. A and her children, and Mrs. C and her child. They took away the child from Mrs. C and gave it to Mrs. A, dragged the mother in the living room from where loud crying could immediately be heard. While Mrs. A was in bed with two children, the soldier made four attempts to rape her, even though she was still torn and had several stitchings following her recent confinement.

Even though the act could not be fully perpetrated in view of the state of the victim, rape remains an established fact. Mrs. A said that during the night soldiers slapped her little boy aged 3½ because he cried. Meanwhile, Mrs. C had come back, she went to sleep with Mrs. A, and lost consciousness. Later she declared that five or six soldiers had raped and beaten her.

Mrs. D told her later that although 2 months pregnant and under medical care, three soldiers had raped her. Mrs. A heard from Mrs. E that this woman had been raped countless times by the soldiers.

Mrs. X was at Camp Hardy at Thysville, when 17 women and children were evacuated by train on July 7. On the 11th, her husband was arrested. She was alone with her two children and was harassed several times by the soldiers. Her windowpanes were broken, soon a soldier crashed into the room, threw her on the floor and raped her. Another soldier came to the house the same day and raped her too. About noon, five soldiers arrived. They pointed their bayonets at her chest, threatening to kill her. All five raped her. She was thus raped by seven soldiers.

On July 11, at about 6:30 p.m., Mrs. X, at Thysville, received soon after the arrest of her husband, the visit of soldiers who searched the house and took away the money. One of her friends who was present was raped by a soldier under threats. This person was raped twice more between the 11th and the 13th of July. Mrs. X herself was raped on the morning of the 12th, although she was the mother of a 6-week-old child.

Mrs. X lived with her husband, an officer, and her two children, 7 and 10 years of age, at Thysville. On July 11, five soldiers rushed into the house. Three of them pushed her into the bedroom and each one raped her. They stole \$300, in Belgian francs. On July 12, Mrs. X went to Mrs. B, where she found Mrs. C. Five soldiers broke the door down with their bayonets. Mrs. A was raped by two soldiers, one of them was among those who had raped her the day before. She heard that Mrs. C was raped also. She thinks—as nearly all the victims state—that a very great number of white women in Camp Hardy were raped. They are at present under medical care.

On the 12th, the civilians were released thanks to the intervention of Minister Ganshof van der Meersch and Mr. Diomi, Congolese Cabinet Minister.

On the 13th, the officers were released thanks to Minister Bomboko and to a newspaper man—a German, it seems. A convoy reached Leopoldville the same day. On the road, the refugees were injured and stoned. The soldiers first tried to send the men back to Thysville: a little further, they attacked the convoy and shot at it. The refugees were able to reach the airport thanks to the Belgian paratroopers.

II. KASAI PROVINCE

Luluabourg

In the afternoon of July 9, the soldiers of the Force Publique at the General Gilliard Camp, seized the munitions dump; they disarmed the officers and the noncommissioned Belgian officers and pushed them all, with their families, into the mess hall. Some of the commissioned and noncommissioned officers were molested and beaten. A lady and an adjutant who were driving to the camp, their car full of children, were subjected to gunshots.

Early in the evening of the 9th, a Belgian civilian who was inside the camp, was seriously wounded by a shot fired by a Congolese soldier. Taken to the hospital of Luluabourg, he was on the operating table when the soldiers attacked the hospital twice with machineguns. The surgeon who was operating on the wounded man could not give him the necessary care. A little later, about 20 men who were under siege in the Imokasai building, rushed out and succeeded, under the fire of soldiers, to evacuate the sick and the personnel of the hospital. After they left, it was completely ransacked. The wounded man died soon after his transfer from the hospital to the Imokasai building.

Immediately after the first turmoil, about 1,500 Europeans retrenched themselves in the Imokasai building; they soon were besieged by the Congolese troops who began to fire on them around 8 p.m. (July 9). The siege, with intermittent gunshots and machinegun fire, went on until the arrival of the paratroopers on the evening of the 10th. Some of the besieged were wounded. During the siege, the soldiers asked the besieged to surrender their arms but they refused.

A few Belgian members of the Congolese Security Service and their families had taken refuge in the Building of the Service at 9 p.m. They also were attacked by gunfire. Other Europeans had taken refuge in the Pax hospital.

On July 10, at 7 a.m., the doors were demolished and the place was ransacked by a Congolese military patrol. A noncommissioned soldier coming into a room where he found Mr. X, fired twice. Mr. X was hit in the belly while he had his hands in the air and while he cried: "Don't shoot, we have no arms."

As for the families who could not reach the Imokasai building, many of them were subjected to grave maltreatment. At the end of the afternoon of the 9th, jeeps and trucks with soldiers had spread through the town; the soldiers shot at passing cars, they looted houses and maltreated Europeans.

At about 7 p.m., a European civilian who was standing on his doorstep, was killed by two shots, fired by four soldiers in a jeep. Two families, comprising several children each, were molested and beaten. Mrs. Z., was raped under threats by two policemen, in her house. Then the two families were taken to the military camp. The cars stopped in front of the prison and a crowd gathered, the soldiers declared that the prisoners had shot at them. The crowd got excited, the two mothers were undressed, molested and beaten. They were imprisoned; the husbands were beaten, one of them still shows traces of the beatings. Mrs. Y., was taken out of her house and raped on the road, in the presence of her three children and her husband who had been beaten before. Other women, among them an old lady, were undressed, molested, and humiliated in public.

In the afternoon of July 10th, the Belgium paratroopers arrived in Luluabourg. The whites were evacuated partly that same day, partly the next day.

III. EQUATOR PROVINCE

Boende

Boende was the end of the road for several government officials and settlers of the region. The sector seemed quiet until the 10th of July. On the 11th, as a result of the bad news from Ikela, the settlers and the officials tried to evacuate the women and the children. The settlers planned to come back, the officials wanted to remain at their posts. Their families left from Djolu, Befale, Bokutola, Befori and Lingomo, but the Congolese had already put up roadblocks at the instigation of the Force Publique (army) in order to prevent the whites from leaving. All those who were stopped on the roads, even if they tried to avoid Djolu by going to Bangui (former French Congo) by way of Libenge or Lisala, were sent to Djolu by the soldiers of the Force Publique.

As soon as they were arrested, they were searched and robbed of their money and valuables. The men were allowed to keep their trousers, their shoes and shorts were taken away. They were bound tightly. Women and children were separated from the men. The number of prisoners at Djolu increased steadily. All of them were severely beaten by rifle butts, they were slapped and kicked, they were spat upon and injured by the soldiers, policemen, and also by civilian Congolese incited by the soldiers.

Finally, the soldiers had to protect the prisoners against the native population who wanted to torture the white men and abuse the white women. The Congolese had herded together 40 white men, as many women and at least 8 children.

The imprisoned women were publicly raped, several of them with a child in their arms, surrounded by soldiers, policemen, and Negro civilians who all had penetrated into the cells.

Eight children were present, in tears, during these repeated rapes which went on the whole night of the 11th to the 12th of July, accompanied by armed menace; often the menaces were directed at the children in order to intimidate the mothers.

The wife of an official who resisted was knocked down by the Congolese.

At daybreak, the missionaries of Djolu who had also been arrested, arrived. There were three sisters, their clothes in shreds, their capes torn away, who had been maltreated. A special inquiry on this case is underway.

Some people arrived who had been wounded by firearms: a lieutenant and an official. A doctor was prevented from taking care of the lieutenant; later he received permission to do so, he put on a bandage but this was immediately torn off by a Congolese soldier who wounded the eyebrow of the injured man.

From the 12th of July, between 6 and 7 a.m., the transportation was done in the following manner: a dozen men, tightly bound so that when one of them fell, all the other followed. They were beaten. The same day, everybody was put on trucks. A lady suffered from a heart condition: a doctor finally was authorized to help her. When he arrived, he was driven away. They left for Monpono and arrived about 3 p.m. On the road, the native population insulted the prisoners, spat on them, threw sand, and sticks. Finally the Congolese soldiers who often stopped the convoy, were forced to protect the prisoners.

At Monpono the men were again locked up. At the prison there was a colonist wounded by three bullets in the thighs and one in the arm.

About 6 p.m., the prisoners were untied by a Congolese commander, taken to Boende on the 13th and to Léopoldville on the 14th.

A FEW TESTIMONIES

Trouble started again on July 11, in the region of Djolu. In a mission post of that region, Father X received a number of refugees among them a man seriously wounded by a shot from a Congolese soldier. On July 12, Father X was arrested by two soldiers; he was beaten on his back and knees. He was forced to lie flat and later on to run. The refugees and the nuns were forced out of the Mission. The same day, July 12, the nuns, according to the testimony of one of them, were put in jail with two ladies and a baby. Negro soldiers attacked one nun and after a fierce struggle, raped her. Later, they attacked the second nun. Two men trampled her underfoot. The nun lost consciousness and another nun said the sister had died. The soldiers were frightened and fled while the other soldiers reproached the attackers for having killed, which was not allowed. At 5:30 a.m., the white prisoners, men and women, were taken to another prison. All of them were in the nude, the nuns and missionaries included, their hands bound in the back. They were locked up in a hut where already 20 women and children had arrived. The soldiers asked why the nuns were not members of the party of Lumumba and if they had sexual intercourse with the missionaries. They promised each sister a soldier for the night. Trucks brought the captives to Monpono under the limits of the black population.

On the 12th of July, Mrs. A, 4 months pregnant, was standing with her two young

children, in a group of men and women: a number of drunken soldiers arrived. They bound the men, hand and foot, and beat them. There were five women and seven children. The women were taken to a dark room. All of them were raped several times. Mrs. A was raped 10 times. Three children, aged 7 to 9, were present at these scenes. Later, Mrs. A met nuns whose clothes had been torn and who told her that they had been raped at the Mission.

When Mrs. A was taken from Djola to Mompoka, the group of whites was attacked by an excited crowd. Several Europeans were wounded by the natives, armed with spears.

Mr. X of the Djola district declares—his statement being confirmed by his wife—that his wife was arrested by drunken soldiers on July 11, locked in a jail, together with four other ladies, while three sisters were imprisoned elsewhere.

The five ladies were raped, each of them at least 20 times, in the presence of seven children. Mrs. X having resisted, was horribly beaten with a rifle butt and with fists all over her body. One of her companions offered herself to avoid her daughter, age 8, being raped.

The soldiers came in relays. Black policemen joined the rapers.

Meanwhile Mr. X, together with 20 other men and 2 missionaries were imprisoned. The men were bound, lying on the ground. All of them were hit 50 times with rifle butts. Mr. X witnessed the following scene; a Belgian officer was wounded. A doctor wanted to operate. In the midst of the operation, he was hit by a rifle butt. The officer howled in pain: the sergeant who had thrown the doctor to the ground hit the officer in the face with his rifle.

While the whites were taken by truck from Djola to Monpono, Mrs. X had a heart attack. A doctor tried to take care of her, a black sergeant threw her from the truck. She remained unconscious for a long time.

On the evening of the 12th, Mr. X was allowed to visit his wife. She had lost her memory. Her memory returned partially when she returned to Belgium.

An officer at Djolu, was attacked by soldiers of the Force Publique. He came to the assistance of the white people and was shot at by an automatic gun. He was wounded in the thigh. He was kicked and wounded in the face by rifle butts. Notwithstanding his wounds, he had to walk for a while to the Dongo prison where he was bound and locked up. The black soldiers prevented the doctor from taking care of him. The women in the group (eight of them, five among them nuns) were raped by the soldiers. The men were brutalized.

Mr. X states also that several whites he had seen had been tattooed by the Negroes: they had cut the white men with a knife, making a vertical mark between the eyes.

In the night of July 11, the Djolu post was evacuated by convoy. The convoy was stopped for a moment and the men were separated from the women. The women were brutalized and raped all night by the soldiers and the police. One woman who resisted was knocked down in the presence of her eight children. At dawn, three nuns joined the group. Two had been raped. Mrs. Y declared that she had been raped at least 20 times. During that time, the men, bound hand and foot, were beaten.

Mr. Z, head of a plantation, states that on July 11, he was taken to the prison of Bokokolo. Women and children were separated from the men. The men were bound, hand and foot, and then roped together: they were maltreated all night long. They heard the cries of the women and children, and of a lieutenant of Djolu who was seriously wounded. The black soldiers prevented a doctor from taking care of him; they beat the patient and the doctor with rifle butts.

On July 12, the nuns of the mission arrived in a pitiful state. They had been raped. A missionary who was with them, had seen the soldiers enter a place where women were hiding and come out later boasting to the husbands that they had had intercourse with their wives. The same day, the prisoners were taken by convoy to Monpono: on the road, at all the villages, roadblocks were put up to permit the local population to beat and insult the prisoners.

On the evening of July 11, Mrs. G and her family left Djolu. Arrested by Negro soldiers, they were taken to the Djolu prison, men were separated from women. A hundred to a hundred and fifty Negroes (soldiers, policemen, and civilians) came to the prison. Mrs. G was standing up with her 2 months' baby in her arms. In that position, Mrs. G, held by Negroes, was raped by others, all the while menaced by rifles. During that night, Mrs. G was raped about 20 times. She was hurled on the floor, the Negroes threw themselves on her. They tore her underclothes, tore at her pubic hair. The other women were also raped in the presence of their children. During the night of July 11, several Negroes tried to rape a 7-year-old girl. Then Mrs. G was again raped. All that time, the prisoners were menaced by guns. Mrs. G's baby was so maltreated that the mother considers it a miracle that it is still alive. The Negroes threatened to cook mother and child and eat them.

During that same night, Mrs. G was authorized to look for food and care for the baby and for her husband who was locked up with other men in a special room. She saw there a number of men, bound hand and foot, roped together, their faces bloody, half naked. Several had broken teeth. In order to feed them, she had to put a bottle to their lips and she had to give them soaked bread. A lieutenant, wounded in the leg by gunfire, was lying in a pool of blood, his eyes and teeth bloody.

Mrs. G came back then, under armed guard, to the place where the women were kept: the rapes went on; at dawn she was taken to another room where she was raped again.

A number of nuns joined the prisoners. Three among them said that they had been raped. On the 12th of July, at about 8 a.m., the prisoners were led to the camp of Monpono. On the road, they were attacked by natives who shot arrows at them, throwing spears and sticks. Three soldiers again raped her on the road.

Mr. X states that on July 11, a convoy of cars was organized in Djolu, in order to evacuate the women and children. The first car was able to escape. The second one was destroyed by gunfire and the driver was hit. The third one was halted. The soldiers stole everything that the occupants had in their possession. The men were hit with rifle butts, bound together, hands behind their backs. At regular intervals, the soldiers loaded their guns, menaced the prisoners and hit them. Civilian Negroes did the same.

White women were locked up opposite the place where the occupants of the car were held. About 10 p.m., the men heard screams and shouts. Next morning, the white women declared that all night long they had been raped an undetermined number of times by soldiers and civilians. According to the testimony of every white woman, all of them were raped at least 20 times, in the presence of their children.

This preliminary report does not include all of the types of atrocities committed by the Congolese. In some cases men were castrated and women's breasts were cut off. These victims were forced to eat their own flesh.

Mr. O'NEILL. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on the resolution.

The resolution was agreed to.

Mr. MORGAN. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 13021) to provide for assistance in the development of Latin America and in the reconstruction of Chile, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H.R. 13021, with Mr. THORNBERRY in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

Mr. MORGAN. Mr. Chairman, I yield myself 10 minutes.

(Mr. MORGAN asked and was given permission to revise and extend his remarks.)

Mr. MORGAN. Mr. Chairman, I speak today in support of the bill H.R. 13021. This bill contains four major provisions, it contains a rather detailed expression of the sense of Congress in regard to the U.S. policy toward Latin America, and includes several recommendations for the implementation of that policy. Most Members of Congress will agree with the statement which is contained in section 1 of the bill.

Second. It authorizes an appropriation of \$500 million for a new social development program in Latin America.

Let me emphasize here that no appropriation of funds under this authorization has been made or will be made during the present Congress. Any requests submitted to the next Congress would be based on a carefully worked out program and would only be for such amounts as may be fully justified.

Third. Mr. Chairman, the bill authorizes an appropriation of \$100 million for rehabilitation and assistance to the Republic of Chile. This money was made necessary by reason of the great damage by earthquake and flood, which is still fresh in the minds of all of us.

Fourth. The bill also authorizes for the fiscal year a suspension of the application of section 551 of the Mutual Security Act as far as it applies to sections 411(b) and 411(c) of the act. This bill will give greater flexibility in meeting increased administrative costs which were not anticipated when the budget was prepared 12 months ago.

The bill as reported by the committee also includes an authorization for an increase in the contingency fund by an amount of \$100 million. Mr. Chairman, it is the understanding, as I announced to the Committee on Rules yesterday, that as soon as the bill is open for amendment, the Committee on Foreign Affairs will propose an amendment striking section 4(a) which provides for the increase in the authorization for the contingency fund.

There has been some opposition to this authorization of \$500 million in this bill on the ground that a detailed program for the use of the money has not been presented to the Congress. The

argument has been made that if an appropriation is not yet needed, there is no point in voting an authorization, and the question "Why the hurry?" has been asked, and I am sure it will be asked here repeatedly this afternoon.

Let me say emphatically that action on this authorization is urgently needed and is vitally important to our foreign policy in Latin America. Let me say further that it makes a great deal of good sense for this Congress to vote this authorization before a detailed program of expenditures of the money has been worked out.

Let me just pause a moment to tell this House that before the executive branch did anything on this bill—and this is brought out in a colloquy between Mr. O'HARA and the Under Secretary of State, which appears in the hearings contained on pages 24 and 25—that Mr. Dillon also said this, that this bill, before it was presented in the other body, was taken to both the Democratic nominee for President and the Democratic nominee for Vice President, and they both approved it and supported the bill in the other body. It was also taken by the Executive to the Republican nominee for President and received full support. Mr. Dillon, when questioned as to the immediate need for this authorization, also spelled out the great emergency that exists. Let me say that he is already on his way to Bogotá for the meeting down there next Monday.

The bill carries language spelling out that the authorization is subject to such further legislative provisions as may be enacted. Both the authorizing committees and the Appropriation Committees will have a look at the program next year, and, as I just said, every project must be justified. I think that the emergency existing at Bogotá next Monday demands immediate action to give the Latin Americans definite assurance that it is the congressional intent that we are ready to do something to support their new social program. This is an emergency, and I think we certainly should give the Under Secretary of State the definite power to negotiate next week with people that I think we are going to depend on for friendship and support for a good many years.

I think every one of us here today will agree that the question as to whether or not the nations of Latin America go Communist will be determined by the Latin Americans themselves. It is basically an internal matter. The United States is in a position to give assistance, and the timing and effectiveness of our assistance may tip the scales in the right direction.

The fact remains, however, that the United States cannot shield the Latin American countries from communism or cannot drive out communism once it has gained a foothold. The responsibility rests with the government and people of the individual countries, and their action will determine the result.

Recent events have convinced the President and the Secretary of State that the Governments of Latin America are ready to make a new start in dealing with the problems of improving the liv-

ing conditions and that they realize that fundamental and far-reaching reforms have to be undertaken.

The record of the Castro regime in Cuba has contributed substantially to this new attitude on the part of the governments of this hemisphere. Let me emphasize the fact that the Governments of Latin America are even more disturbed by what has happened in Cuba than we are in the United States. They recognize that the Castro line has great appeal to the malcontents and radical elements in their own countries, and that they face a danger of revolution and chaos.

The key event in this new movement on the part of the countries of Latin America to get underway a program of basic reform which will bring about a direct and tangible improvement in the lives of their people is a meeting which will begin on September 5—next Monday—in Bogotá, Colombia. This meeting, convoked by the Council of the Organization of American States, is the Third Meeting of the Special Committee to Study the Formulation of New Measures for Economic Cooperation. It is of vital importance that the U.S. representatives at this meeting be able to offer concrete evidence of support for the new programs which the Latin American nations propose to undertake.

These programs of social development have not yet been worked out. Before the United States appropriates funds to assist in these programs, our representatives have told the Latin American governments that it will be necessary to have specific programs worked out and justified in detail, and, even more important, that these programs will have to be accompanied by basic legislative and institutional reforms in such matters as tax structure, land tenure, and legal procedure in order that new facilities provided under these programs may produce the benefits which are intended.

The Latin American governments understand that they have to undertake fundamental and painful readjustment. Many of them hesitate to undertake such readjustments unless there is assurance that money will be available to carry forward the social development programs which are necessary. It is, therefore, of vital importance that the Congress by approving this authorization give encouragement to the governments of Latin America to go ahead with the reforms and adjustments which are essential if the well-being of their people is to be significantly improved.

This is no time for us to take a "wait and see" attitude, or to tell our neighbors to the south to come back again next January. If we approve this authorization today, we can have hope that the Bogotá Conference will be successful and that a new era may be beginning in Latin America. If we fail to approve this authorization today, it is my judgment and that of those who are responsible for our foreign policy that the Bogotá Conference will not be a success, that the effect on the people of Latin America will be most discouraging, and that the Communists and the Cas-

troites will find more receptive listeners to their propaganda.

I will not take the committee's time in discussing the authorization of \$100 million for Chile. It is estimated that the total cost of reconstruction will be \$450 million. The United States has already made some contributions through the Export-Import Bank, and it is my understanding that other nations will participate. There can be no doubt that Chile desperately needs this \$100 million, and it is entirely consistent with our policy toward nations which have suffered catastrophes of this nature to make help available.

With respect to the increase in availability of administrative funds, let me elaborate on the issue involved. Section 551 of the Mutual Security Act reads as follows:

SEC. 551. Limitation on the use of the President's Special Authority.—The authority contained in section 403, 451, and 501 of this Act shall not be used to augment appropriations made pursuant to sections 103(b), 408, 411(b), and 411(c) or used otherwise to finance activities which normally would be financed from appropriations for administrative expenses.

This provision was put in at the initiative of the Senate Committee on Foreign Relations in 1959. Its purpose is to prevent the use of the contingency fund or other discretionary authority of the President to increase the authorization for administrative funds above that specifically approved by the Congress.

The administrative funds authorized and subsequently appropriated this year are based on budget estimates prepared a year ago. Events of recent months have changed the world situation significantly with the result that it will be necessary for the United States to establish personnel in a number of new locations which were not contemplated when the budget was made up last year. Further than that, it is true that the recent pay raise enacted by the Congress has imposed a severe burden on the administrative funds available.

For these reasons, the Executive strongly urges that for the current fiscal year the restriction contained in section 551 be suspended in order that action can be taken to deal with the urgent problems with which we are confronted. The provision contained in section 4(b) of the bill does not repeal section 551, and that limitation will continue in effect after the current fiscal year even though favorable action is taken by the Congress on the bill before us.

Mr. FULTON. Mr. Chairman, will the gentleman yield?

Mr. MORGAN. I yield to the gentleman from Pennsylvania.

Mr. FULTON. Mr. Chairman, I want to congratulate the gentleman on an excellent statement and join with him in recommending this proposal very strongly.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. MORGAN. I yield to the gentleman from Iowa.

Mr. GROSS. I note that the bill was introduced by the gentleman presently in the well of the House by request. Is there any significance to that?

Mr. MORGAN. The message came up from the executive branch. The executive communication is set forth in full on page 40 of the printed hearings. It is not unusual for the chairman of any committee to introduce bills by request.

Mr. GROSS. Another question, if the gentleman will yield further. How did the committee arrive at the figure of \$500 million?

Mr. MORGAN. That was the figure requested by the executive branch. The gentleman knows that the President sent a message to Congress, both branches of Congress, to be delivered when we returned. The \$500 million figure was included in the President's message.

Mr. GROSS. So the gentleman received a letter or a communication from the President, or from someone in the executive branch of the Government, asking for \$500 million and the Committee on Foreign Affairs dutifully put \$500 million in the bill; is that about it?

Mr. MORGAN. That is correct, sir. I think we did our duty after hearing the presentation made by the Acting Secretary of State. I have already said that each and every project will have to be justified. This is a figure to be taken to Bogota next Monday. I am certain everybody in this Congress, whether he is for or against foreign aid, recognizes that the executive has initial responsibility for our foreign policy. The people who are running the Government now think that \$500 million is the amount of money that will help to hold Latin America from going communistic. And the amount will have to be justified next year.

Mr. GROSS. Does not the gentleman think, since this is half a billion dollars, that we have some responsibility to the taxpayer?

Mr. MORGAN. I think we have a responsibility. I can assure the gentleman that next year, if the Democrats are in the majority and I head the Committee on Foreign Affairs, a detailed program for Latin America will have to be justified.

Mr. HALEY. Mr. Chairman, will the gentleman yield?

Mr. MORGAN. I yield to the gentleman from Florida.

Mr. HALEY. Mr. Chairman, the gentleman states that the emergency here is that our representatives are going to a conference and they must have this authorization; in other words, what the gentleman is saying to this Congress and what he is saying to the American people is that if our representative goes down there and he does not come there with half a billion dollars in his hand, he is not welcome. That is about it?

Mr. MORGAN. No, I am not saying that, sir. I do not agree with that statement, nothing like it. I am saying that our negotiator has to go down there with a definite expression of congressional intent. And as I said every dollar will have to be justified before it is appropriated.

Mr. HALEY. If the gentleman will yield further, is there any representative of any other government going down there with his checkbook in his hand,

other than a representative of the American Government?

Mr. MORGAN. I think the gentleman will find that many of the countries of Latin America who are going to be at Bogota next week discussing this program are prepared to make extreme financial sacrifices and undertake basic reforms in order to make this program effective.

Mr. HALEY. I might say this, that I hope they bring some money to put in with this amount of money.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. MORGAN. I yield to the gentleman from Iowa.

Mr. GROSS. If these people are prosperous and are going to be able to offer these amounts themselves, if they are doing so well, why go down there with a blank check for \$500 million? Why are we sending a delegation down there with a blank check up to \$500 million, if these other countries are going to come in with some money?

Mr. GARY. Mr. Chairman, will the gentleman yield?

Mr. MORGAN. I yield to the gentleman from Virginia.

Mr. GARY. As I understand it, our representative, the Under Secretary of State, Mr. Dillon, is already on his way down there. He could not wait until he got this authorization. He is already on his way down there so he will be certain to be in a position to give enough of it away, without any question.

Mr. GROSS. Mr. Chairman, will the gentleman yield further?

Mr. MORGAN. I yield.

Mr. GROSS. Of course, I will say to the gentleman from Virginia, he may be pretty confident that the House of Representatives at least, when it comes to giving away money all over the world, will fly a blank check down to him. It will be there.

Mr. GARY. He can spend it, too.

Mr. GROSS. He will be able to spend it, too, when he gets it.

Mr. ANDREWS. Mr. Chairman, will the gentleman yield?

Mr. MORGAN. I yield to the gentleman from Alabama.

Mr. ANDREWS. Can the distinguished chairman of the committee tell me whether or not this is the total amount planned to be expended in the South American countries, or is it a downpayment on an overall long-range program?

Mr. MORGAN. It is an overall long-range program. I can assure the gentleman that the \$500 million will not be spent for several years. As I said previously, every dollar will have to be justified.

Mr. ANDREWS. I read recently that the head of one of the South American countries proposed to be helped by this money said that the plans for the development of his country would cost approximately \$4 billion. Can the gentleman tell us how much the planned program for these South American countries will finally cost?

Mr. MORGAN. Of course the gentleman cannot know any such figure, because no such program has ever been worked out. This is a social develop-

ment program, which includes better housing and improvement of education and basic sanitation. There are no big projects in this authorization. We might not use anywhere near the \$500 million we are asking here. This is a statement of congressional intent, to show that this Congress really is ready to cooperate.

Mr. HALEY. Mr. Chairman, will the gentleman yield?

Mr. MORGAN. I yield to the gentleman from Florida.

Mr. HALEY. I would like the gentleman to explain to me the language appearing on page 4, beginning in line 12, providing that this is supposed to support the strengthening of free democratic trade unions to raise standards of living through improved management-labor relations.

What are we going to do down there, charter a lot of labor organizations? I should like to hear some explanation of this proposal.

Mr. MORGAN. Of course the gentleman knows that this is similar to language that is already in the Mutual Security Act, under which we operate all over the world. We are not going around organizing labor unions. We just encourage their establishment and development on a free and democratic basis because wherever you have free labor unions you do not have communism.

Mr. HALEY. What we are doing is that we are going to South American countries and meddle in their domestic affairs. We are going to send a bunch of termites who are spending our money all over the world down there to spend some more of our money.

Mr. MORGAN. If we do not help these people, and the gentleman lives closer to South America than I do, some day we will be sorry.

Mr. HALEY. If we stay out of Latin America and let them settle their affairs down there without interference by the Federal Government, I think everybody will be better off and you will not have to spend this money.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. MORGAN. I yield to the gentleman from Iowa.

Mr. GROSS. Does the gentleman think the improvement of labor-management relations in South America would result in more imports into this country to displace more American workingmen?

Mr. MORGAN. No, I do not think so. On the other hand these labor unions ought to help reduce competition from cheap labor. I do not think it will hurt our foreign trade. There is nothing in this authorization to establish any factories in competition with American industry. This is a social development program, under which we are going to raise the standard of living of these people.

Mr. GROSS. How are you going to raise their standard of living without their marketing their products in this country? This is the best market for any foreign country.

Mr. MORGAN. If we did not have this trade with Latin America, where we already export almost \$4 billion a year, we would be in bad shape. Our overall export situation would suffer. They are our best customers.

Mr. GROSS. Yes, and we are getting plenty from them, too.

Mr. FULTON. Mr. Chairman, will the gentleman yield?

Mr. MORGAN. I yield to the gentleman from Pennsylvania.

Mr. FULTON. This is a question of the foreign policy of the United States of America. Under the Constitution, the foreign policy is under the President. We are simply implementing in this Congress the foreign policy laid down by the President. I might add too that when we are implementing it, we are following out the program put in each of the platforms of each of the two parties and the people that are here objecting are the minority in each of the Republican and the Democratic Parties who want to go back rather than forward with the platforms that each of the parties have adopted just recently. Now when the parties have set up what they want to do and how they will run the country in the next 4 years, I think each of us should inspect his own conscience. While we may differ as to amount, I do not think we can cancel the whole policy of the United States that has been in operation these many years and now turn back on this minor bill, especially in regard to Latin America which certainly has been our good friend and some of our best customers so far.

Mr. MORGAN. Mr. Chairman, I yield to the gentleman from Pennsylvania [Mr. Flood].

Mr. FLOOD. Mr. Chairman, I am sure my distinguished colleague from my own State of Pennsylvania is aware of the current Panamanian situation. I hope he would have some opinion to express even though we do not have too many of the facts at this point.

Mr. MORGAN. I can assure the gentleman I am aware of the situation. I have examined the same press articles as the gentleman from Pennsylvania and I can assure the gentleman, I stand behind the resolution sponsored by the gentleman from Alabama.

Mr. FLOOD. I hope the chairman will inquire of the Secretary of State as to just what the intention is.

Mr. MORGAN. I intend to do so.

Mr. FLOOD. I thank the gentleman.

The CHAIRMAN. The time of the gentleman has expired.

Mr. JUDD. Mr. Chairman, I yield myself 10 minutes.

(Mr. JUDD asked and was given permission to revise and extend his remarks.)

Mr. JUDD. Mr. Chairman, let me first make a statement with reference to the earlier remarks of the gentleman from Pennsylvania [Mr. Flood]. I hope he has not left the floor, because after his statement on Panama earlier, we called up the Department of State and the following is a summary of the telephone conversation.

During the meeting in Costa Rica, Secretary Herter met both in public and in private sessions with each of the Latin American Foreign Ministers. The Foreign Minister of Panama raised the issue to which the gentleman from Pennsylvania [Mr. Flood] has referred. This also was raised in both open and private sessions of the Conference. Secretary Herter made no commitments. He admitted that this was a problem that had to be explored further, but no time was given or arranged as to when the problem could be resolved. There are many factors in our country that have to be considered and the Foreign Minister was advised as to that effect.

Mr. Chairman, the distinguished chairman of our committee [Mr. MORGAN] has explained the bill before us. May I add a few remarks about what seems to me to be the importance of it.

Mr. Chairman, the United States has an enormous stake in Latin America. No one needs to argue that point. First, from the standpoint of our security. We simply cannot be safe here no matter how much money we pour into our own defenses in this country if the Latin American countries are enticed away or scared away, or if they lose confidence in the stability and dependability of the understanding and support of the strongest country in the Western Hemisphere. Some people talk easily about the United States going it alone. They do not want to bother with Europe or Africa or Asia—as if we could ignore happenings there. Mr. Chairman, even they, I think, would admit that it is necessary as a minimum to have this whole hemisphere stable and secure, if the United States itself is to have the kind of national security that will allow us to cut down our expenditures for national defense and to use more of those funds for civilian purposes here at home.

Mr. Chairman, look also at the economic considerations. Reference has been made to how much aid we have given to them. Well, we also sell \$3½ billion to \$4 billion worth of goods each year to Latin America. He buy a lot from them in exchange. We import oil from Venezuela, coffee from Brazil and other countries, bananas from Central America, metals from Chile and Bolivia, and so on.

It is one of the best illustrations of mutual trade between complementing economies from which both sides profit, that I know of anywhere in the world.

U.S. capital in the amount of about \$11 billion is invested in Latin America. So when you consider the economic stake, it is tremendous.

Now, why this bill at this time? The administration had been preparing for some time, so we were advised, an overall program of this sort for Latin America. It has recognized that there is taking place in the world what has been called a revolution of rising expectations. The United States is probably more responsible for this revolution than anybody else. I spoke about this here several years ago. We in the Western World developed our high standard of

living primarily because of certain ideas or concepts of our forefathers. They wrote "We hold these truths to be self-evident; that all men are created * * *". That is, they and we believe that there is a Creator. Man is created in His image. Man was given the capacity to make moral judgments; to reason; to listen to a small voice called conscience and then decide what is right and what is wrong. As a child of God, he had a sense of importance which made him respect himself and his neighbor. He had faith that his Creator wanted him to have a better life and would help him to get it, if he worked in harmony with moral laws. So our forefathers worked hard, and they made headway. When they were oppressed in Europe, they came to this country. Their philosophy and faith and the system based on them were sound, and there followed wonderful results.

Then what did we do? We took the concepts and values that meant so much to us, and shared them with people all around the world, just as everyone wants to share with his friends anything that he has found is good. Some of us were personally involved in this sharing. We spent years abroad trying to share our medical skills and our spiritual beliefs and values. You might say we went to countries which were sleeping giants and woke them up. We knew that we were doing a lot of good to the persons who came into our clinics when for example, we removed cataracts so that a man who was blind could see. But I suspect many of us did not realize to what extent we were changing the whole world; that we were starting a revolution which was irreversible. To many people who for centuries had been resigned in fatalism to hunger and illiteracy and disease and squalor, we brought our ideas and concepts as to the rights and worth of man; and they are not resigned to a status of inferiority any longer. They have seen what freemen in the West have been able to do and they are determined to do the same. They are not going to continue to live any longer as they have been.

They are determined to have not only better material rewards but also equality of status as human beings. They are not willing to be treated as "lesser breeds without the law," with others looking down upon them as backward peoples. They are not going to accept an inferior position any longer.

Mr. Chairman, that revolution can no more be stopped than you can put a baby that has been born back into its mother's womb. The problem is how to help and guide the revolution, so that it will benefit the peoples themselves and the world, instead of harm them.

I remember a former Secretary of Agriculture being before our committee a decade or so ago. He said "We must find some way to get stability in areas of instability." I said, "I think probably that is right, because it was we who created the instability."

The countries of Asia and elsewhere had been stable for centuries. We took to them ideas and concepts that showed them it is possible for them also to im-

prove their lot. They are going to move ahead one way or the other.

This revolution is on the march in Latin America. If we do not help them in a way that is constructive and sound and mutually helpful, then they will get help from somewhere else that they believe will enable them to get ahead.

That means they will accept Communist help, even though it will turn out to be the opposite and such action by them will cost us many times as much in the end as this bill could possibly cost. This is the situation behind the bill before us.

Why did not the administration present such a bill earlier? The basic reason is that while we have given a good deal of aid in Latin America, some of it has not been too productive because some of those countries have not seen the necessity to make certain essential changes in their own laws, in their tax structure, in land tenure, and in legal procedures, without which changes significant improvement is not possible.

It was not useful or wise to expand aid programs in Latin America, or elsewhere, until the cooperating countries are willing to do certain things themselves. Without that kind of action on their part, our aid would be palliative, but not curative.

Mr. Chairman, I have often thought that probably the biggest mistake Mr. Stalin made in his whole career was to start the invasion of South Korea, because it woke up the sleeping Western World. We have had testimony before our committee by our highest military authorities that if Stalin had delayed the Communist attack on South Korea 2 more years, while our military strength continued to deteriorate, he could have conquered us and the world. But the revelation of their objectives and purposes, and the exposure of our own weaknesses in the West, woke us up and we moved to rebuild our own strength and that of many other allied countries.

I daresay, Mr. Chairman, that Mr. Khrushchev may find that the biggest blunder in his career was to pull off the Castro operation in Cuba, if it proves to have revealed to all of us in the Western Hemisphere our weaknesses and the things each of its countries must do, individually and collectively, if they are to avoid the fate of the people of Cuba, and the hemisphere come to disaster.

Some have called this the Castro bill. It can be thought of that way only in terms of what Castro's actions in Cuba have done to awaken the countries of this hemisphere to what is already happening and what can happen in the future. There is an increased realization that they cannot delay longer in making the changes necessary to make outside aid more effective than in the past. Many of the countries are now prepared to do the things that will better enable them to get started on the right road. They have been shocked into action by what has happened in one Latin American country.

Mr. Dillon testified: "It is the new realization in Latin America that really made us feel that the time was right and

that we should join in this to help them." So there are two main reasons why this bill is before us today: First, it is to give important and needed help to people who are our close friends and neighbors. Second, representatives from all these countries are going to meet next week with our representatives in Bogotá, and we want our representatives to be able to show that we are prepared to help them do the things that will enable them better to meet their problems.

The whole of Latin America is in need of increased attention if they and we together are to cure the grave difficulties and prevent the spread of unrest and disquiet there and eventually in our own country.

The chairman of our committee has made clear that we cannot say now just exactly what this program will be. No money will be made available for any projects until they have been carefully worked out and justified before our committees next year. No money is requested at this time. What we are doing is enabling our negotiators when they meet in Bogotá next week to demonstrate that the Congress of the United States recognizes the long overdue necessity for joint action to improve the conditions about which we are so concerned and that to the extent agreements can be worked out that are sound, Congress is willing to give such aid next year, project by project, as will produce economic and social development in the hemisphere, and the resulting greater security to all.

What is the alternative to such action? It is certain disintegration. So I think this proposal is sound, prudent, and necessary, and I am confident the Congress will overwhelmingly adopt it.

Mr. CHIPERFIELD. Mr. Chairman, will the gentleman yield?

Mr. JUDD. I yield to the gentleman from Illinois.

Mr. CHIPERFIELD. Mr. Chairman, I favor the passage of H.R. 13021 a bill to provide for assistance in the development of Latin America and in reconstruction of Chile, and for other purposes.

Three years ago I went to South and Central America to determine if we were not giving too much military assistance in that area and if we were not giving too little aid in the economic field.

I came back with the definite opinion we should limit our military assistance because we found in some cases it was not used for internal security but sometimes used to maintain dictators in office.

I found there was a crying need for more economic aid in the very fields which this bill provides \$500 million for; namely, improvement in the conditions of rural living and land use; second, improvement of housing and community facilities; third, improvement of educational systems and training facilities; and fourth, improvement in basic sanitation facilities.

Then this bill provides for \$100 million for the reconstruction and rehabilitation of Chile. Certainly to help Chile after her great disasters from earthquakes and floods is but a humanitarian

act and such assistance is absolutely necessary to help Chile maintain financial stability.

The bill also provides for increase of the contingency fund by \$100 million.

The President has made this request to meet sudden developments such as has happened in the Congo and where other critical situations may develop. I believe this should be done.

This policy of economic aid for Latin America is long overdue and I certainly am glad it is being brought up at this time.

I strongly favor the passage of this bill.

Mr. MORGAN. Mr. Chairman, I yield 5 minutes to the gentleman from Texas [Mr. BURLESON].

(Mr. BURLESON asked and was given permission to revise and extend his remarks.)

Mr. BURLESON. Mr. Chairman, I take no pleasure in opposing the distinguished chairman and my colleagues on the Foreign Affairs Committee. I compliment the chairman as being a devoted man and an able leader, but I say this is the worst piece of legislation I have seen come to this floor in the years which I have been a Member of this body.

My good friend from Minnesota [Dr. JUDD] has just said, and so has the chairman of the Committee on Foreign Affairs, that they are unable to tell you what this money is for. Of course, they cannot tell you. No one knows. It is a rabbit-out-of-the-hat proposition.

I wholly agree with what the gentleman from Ohio [Mr. Bow] and our majority leader, the gentleman from Massachusetts [Mr. McCORMICK] has said about temperance in this debate; that we should not say those things which would give ammunition to those who oppose us; to those elements who would hang on to every opportunity to make propaganda unfavorable to our country. I shall try not to do that.

I think this is "do something." That is what it is, "do something," but to do something we commit this Nation to \$500 million, for something we do not know about.

There are two schools of thought. Some say, "Oh, this is a gesture." I would hate to think this is only a gesture. That would be dishonest to our friends and neighbors in Latin America. The fact is it is a long-term commitment in sums which are undefined, but it has been estimated to run into billions of dollars. For what? Well, there are some platitudes expressed. We are going to raise the standard of living, we are going to do many of those things which some of us oppose doing in this Nation, that is, furthering and encouraging socialism in Latin America.

But what a travesty this was down in San José; tragic that our people should agree to pass a major sentence upon a nation which has given us no difficulty, and a slap on the wrist to a regime which is obviously an agent of international communism. I shall say no more about that. I would like to say a great deal more but it is not good to furnish propaganda to those who really do not need any more furnished. They can

dream it up themselves. It is not a compliment, either, to this Congress or to our friends to the south that we should come here with this type of legislation in order that our people down in Bogotá next week may tell the Latin American leaders that we are going to work out a program; that we are committing ourselves over the years to untold billions for some nebulous and vague type of cooperation. In other words, "to do something, just something, because we find ourselves in an untenable position, because we have let the attitudes between ourselves and our neighbors deteriorate. So we rush in with dollars. It is dollar diplomacy. That is what they have been talking about in Latin America, lo, for a half century and we will prove it by adopting this bill. We should know by this time, Mr. Chairman, that it takes more than dollars to make friends around this world. A rush to shower more money on Latin America is not going to put a mad dog of the Caribbean in the pound.

The great colossus to the north. Dollar diplomacy. And yet we are proving exactly what they say by holding this thing out in front. So, if we want "to do something," then we should strike out this second section. We should strike it out and leave the policy statement in the first part of this bill.

Mr. Chairman, I am for aid to Chile. That nation has suffered terribly by reason of the recent earthquake. They need help, but I shall offer an amendment to strike out section 2 of this measure which authorizes the appropriation of \$500 million. With the first section, our people in Bogotá, meeting next week, will have the authority and the prestige to develop something to present to the next Congress meeting in January 1961.

I am not willing to write a blank check on the taxpayers of this country, beginning with one-half billion dollars as a first payment, without knowing what it is for. I am not willing at any time to commit this Nation to a policy of socializing other nations.

In addition, Mr. Chairman, now is the time to determine who are our friends and who are not. It is time also to exercise loyalty to those who are stable and to exhibit sternness toward those who are spreading the disease of communism in the Western Hemisphere.

Mr. JUDD. Mr. Chairman, I yield 10 minutes to the gentleman from Indiana [Mr. ADAIR].

(Mr. ADAIR asked and was given permission to revise and extend his remarks.)

Mr. ADAIR. Mr. Chairman, I think everyone in this Chamber and almost every person in our country wants to do what is necessary to help our friends to the south. We want to preserve our friendship and our neighborliness with Latin America. We are willing to do what is necessary in that respect. We are willing to spend what is necessary. But, we want to know what we are spending and for what it is being spent.

Now, what, monetarily, is in the bill before us here today? Three items: \$500 million for Latin America generally; \$100

million for Chile; and \$100 million additional to the contingency fund, which is generally thought to be for Africa; in fact, it has been said it is for Africa. As to the latter, the chairman of the Foreign Affairs Committee has said he will move to strike that from the bill, because it was enacted into law a few days ago in connection with other legislation. That leaves us, therefore, with a bill authorizing \$600 million.

Now let us look briefly at what has been happening. One day last week—Friday, I think it was—we passed legislation providing \$100 million for the contingency fund, but we were in so much of a hurry to pass that legislation that we passed it without prior authorization. Secondly, today we have added to a bill previously passed by this House money which will also be used in our foreign aid or mutual security program. This was done hastily, and, in my opinion, not as a fully considered step. Now again we have before the House a bill requesting \$700 million, pared down to \$600 million, which is in addition to the other two steps to which I have made previous reference. In great haste, in the closing days of the Congress, we are here asked for these great sums of money. And, I think the Members of this body ought to know, in the light of our desire for speedy adjournment, that if we enact this legislation before us now, that that does not end the matter. This bill has to go back to the Senate again, because there are changes in wording which will require action by the other body.

As I have said, in this bill we are asked to authorize an appropriation of \$600 million. As to the \$500 million for Latin America, there is no program proposed. We do not know how the money will be spent. We do not know what it will be spent for. I should like to call the attention of this body to the fact that I hold in my hand here the hearings upon this bill for \$600 million.

These are the hearings, in this little pamphlet. There was one man who testified before the Committee on Foreign Affairs, the Under Secretary of State, Mr. Dillon. There is also a statement in here from the Department of the Treasury. There is a statement in opposition by the Citizens Foreign Aid Committee. That is the extent of the hearings which are printed for the Committee on Foreign Affairs and upon which the decision to report this bill out was made; the statement by Mr. Dillon, the cross-examination by members of the committee, the statement by the Treasury and the statement by the Citizens Foreign Aid Committee.

I say to you, Mr. Chairman, that a measure of this importance ought not to be presented to this House with no more study, no more investigation than is contained in these hearings.

It was said earlier that we must take this action because there is an emergency; we must show our support of those who will represent our country at Bogotá. Mr. Chairman, we have shown our support of what may be necessary for our representative at this coming conference at Bogotá to have. That was shown by the action of the other House

in passing the two bills which were combined to make the one before us today. It was shown by the action of the House Committee on Foreign Affairs in reporting this bill out. I think we have shown a great willingness to do, I repeat, all that is necessary to support our friends and neighbors in Latin America, our friends and neighbors to the south of us. But to come before the Congress in this fashion, in the closing hours of the session, with a program which has been no more carefully worked out than this, it seems to me is a very unusual step and one which ought to be considered with the greatest of care.

A question was asked here a little while ago as to whether or not this \$500 or \$600 million would be the total cost of the program to be inaugurated here. I know of no one who has made himself familiar with the information that we have on these proposals who believes that this is other than a downpayment on a very long-term and expensive program.

Mr. MORGAN. Mr. Chairman, will the gentleman yield?

Mr. ADAIR. I yield to the gentleman.

Mr. MORGAN. I want to inform the gentleman—I am sure he has this information—that in the President's message he definitely urgently requests speed in this authorization. I have a letter in my hand from the Secretary of State, since his return, in which he again urgently asks immediate adoption of this authorization. The reason the committee moved with such speed is because of the demands of the short session and the urgency suggested to the committee by the executive branch of the Government.

Mr. ADAIR. I understand the position of the chairman, and he has been eminently fair in this matter. My position with respect to that, however, is that even though there is this great demand for action we ought to take time to explore the matter in more detail. If it means taking more time of the Congress I think that ought to be done rather than to try to embark upon a program of this sort, with these hearings which I consider were inadequate.

Mr. MORGAN. The gentleman knows that the time of the Congress is not what is involved here. It is a question of the meeting at Bogotá next Tuesday. That is the only meeting that will be held this year. The gentleman knows also that the President made this request back in July. The President could not make his request earlier because the Organization of American States had not had their final meeting until sometime near the end of June. It is just the way this matter has developed. Nobody is really responsible except that when Congress returned for this special session, the President, members of the executive branch, Members of Congress, and members of the committee felt that we had no excuse for going to Bogotá without some expression of congressional intent.

Mr. ADAIR. I would say to the gentleman that if it is for use at Bogotá, first of all, as I pointed out a little while ago, we have shown the disposition of

Congress to give the representatives of this country what support they need.

Second, even though the conference will meet on the 5th, which I believe is the date, we could have taken a few more days, we could have heard a few more witnesses, we could have explored the matter a little more fully.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. ADAIR. I yield to the gentleman from Iowa.

Mr. GROSS. The President has sent a good many messages to Congress. Is it not true that he sent, probably in the same message about which the gentleman from Pennsylvania is talking, a 21-point program? Is the gentleman from Pennsylvania equally as interested in the other 21 points of the program and does he acquiesce in everything the White House sends down here?

Mr. HALEY. Mr. Chairman, will the gentleman yield?

Mr. ADAIR. I yield to the gentleman from Florida.

Mr. HALEY. I want to commend the gentleman for the statement he has made here today, and I concur in the greatest part of it. The gentleman asked why there is a sudden urgency here for this particular program. I want to give the gentleman the benefit of what I think is the urgency. The American people are beginning to find out a little more about this giveaway program. They are beginning to find out a little bit about its costs. So this Congress now has been confronted with first, the regular appropriation, and second, an emergency and supplementary program. The only emergency about this program is that they want to get the Congress of the United States committed to a program about which nobody can tell you the cost, and nobody can tell you what the money is going to be used for. In other words, the gentleman has correctly stated that this is just a downpayment on something that we do not know where it is going to go, what for, who is going to spend it, or anything else. The American people when they once catch up with this program are going to demand that it cease, because if you put this program to a vote of the American people I predict it would be defeated better than 9 to 1.

Mrs. CHURCH. Mr. Chairman, will the gentleman yield?

Mr. ADAIR. I yield to the gentleman from Illinois.

Mrs. CHURCH. May I offer this testimony to the gentleman from Indiana, who with some others including myself has long urged greater attention to Latin America. There is no Member of the House who approaches the problem of foreign affairs with greater interest and greater regard for the welfare of this Nation. For many years where the mutual security legislation has been under consideration, the minority on the Foreign Affairs Committee, of which the gentleman speaking is a very honored member, has published a report, in which we have insisted that more attention be paid to Latin America and its problems. We have thought that that assist-

ance has been too long delayed. Will the gentleman in fairness to himself not repeat the statement which he made at the beginning of his remarks, that where these programs are brought up in detail for consideration, there is no one who will give more attention to the needs and the programs of Latin America than the gentleman from Indiana?

Mr. ADAIR. I thank the gentlewoman from Illinois.

If there were before us today nothing but the question of assistance for Chile, I do not think there would be anybody against it. I think anyone would be willing to give what is needed. That is my position. We want to do what is needed, but this is not the way to do it. It is our hope and intent to do all that is necessary to preserve the integrity of our hemisphere, the friendship of its peoples and prevent the spread of communism.

Mr. MORGAN. Mr. Chairman, I yield such time as he may desire to the gentleman from Florida [Mr. HALEY].

Mr. HALEY. Mr. Chairman, I am opposed to this program. I think it is a bad program. Nobody has explained to me then necessity for this hasty action.

Mr. Chairman, the day the House of Representatives reconvened was the 25th anniversary of the death of the beloved Will Rogers—the part Indian Oklahoma cowboy who started out as a comedian and wound up recognized as one of the great political philosophers of our time.

A bronze, remarkably lifelike statue of Will Rogers stands in the corridor just outside this Chamber. And if that statue could see, could hear, what we are being called on to do here today, I am sure that he would repeat—and repeat with sadness and emphasis—something he said three decades ago.

Will Rogers said—unfortunately with more truth than humor—that “our foreign policy is an open book—a checkbook.”

We are meeting here today to prove—I fear—that what Will Rogers said 30 years ago is still the truth—to prove that our administrations, our Government, learns slowly, if it learns at all. We have a problem in our relations with some of our Latin American neighbors.

And what is the answer of President Eisenhower, and of the administration's foreign policy advisers, of the President's State Department, his international cooperation administration, to this problem? It is, as we can all plainly see, what Will Rogers called an open book—an open checkbook.

In my years in Congress, Mr. Chairman, I have been puzzled by these foreign aid programs of ours. What started out to be doubt as to their usefulness soon turned into certainty that if they had any usefulness, it was not usefulness to the United States. And lately, that certainty has turned, in my mind and in my heart, to disturbance and outrage that we in Congress are asked year after year to continue these programs—and that year after year, we knuckle under to those demands of the administration.

But, in all candor, I must say that my sense of outrage over past administration requests in the foreign-aid field pale,

into near insignificance in comparison with my feelings about this proposition which is before us today. This proposal that we start an entirely new foreign-aid program—that we authorize the spending of a cold half a billion dollars of the taxpayers' money to start it—can be characterized, in my mind, in only one way: It is an indecent proposal.

It is so outrageous that the administration should have blushed with shame when it advanced the idea. And it is a proposal so indefensible that I cannot understand how any Member of the Congress can vote to approve it and then go home and find any way in which he can defend that vote. I will not need, when I go home, to defend my vote. My vote will be against this—and my vote will represent, not just what JIM HALEY thinks, but what an overwhelming number of his constituents, regardless of party, think also.

Mr. Chairman, I know that I should not call a proposal by the President of the United States offensive unless I have grounds to base that charge. I do have those grounds.

This proposal is offensive because it was made recklessly and without thought—as the expedient but haphazard answer to a problem to which the administration, after slumbering for 7 years, suddenly awakened just a few short months ago. It is misleading because it was first laid before us as an emergency matter; but the administration now has confessed that this immediate outlay we have been asked to approve is nothing more than the downpayment on another long-range foreign-aid program. And it is outrageous because the administration, although insisting that it must have this money, has no plan for its use.

And it is—in essence—just another scheme designed to confuse the American people and to confuse the membership of the Congress. The foreign aid program, as we all know, started out as a relatively simple thing after World War II. But the schemers and the dogooders quickly realized that the only way to keep it not only alive but growing was to conceal some of its aspects.

As a result, over the years, we have been asked to vote for more and more hidden appropriations, for more and more lump sums for distribution for programs about which the administration refuses to tell us anything, and for more and more devices which, while actually foreign aid, have labels which are meant to conceal—if not meant outright to deceive this body and the American people.

This proposition we are faced with today is but another of those devices. We are told that there is a great emergency in our relations with our Latin American neighbors. But we are not told what that emergency is. We are told that this money is an absolute necessity to meet that emergency. But we are not told—because the administration's own spokesman cannot tell us—how this money will be used.

Moreover, we are told that the reason that the so-called emergency exists is that we have not heretofore included the

Latin American nations in our foreign aid programs to any material extent. That statement is demonstrably untrue. It takes a little tracking down in a complicated maze of records and subterfuges—but when tracked down, the records show, Mr. Chairman, that in 14 years of foreign aid we have extended a helping hand to the Latin American nations in the amount of \$7,900 million.

We are asked today to approve this outlay of another half a billion dollars to launch a new program which in the long run will amount to untold billions more. But we are given no opportunity to make any study of the proposal, or of the supposed need. Even if we had the opportunity, we could make no intelligent study—nor could the distinguished members of our foreign affairs and appropriations committees—because the facts needed for intelligent study are not available.

They are not available, Mr. Chairman, because the administration has not made any such facts available. The administration has not made the facts available because it has no facts, not even any plans, to lay before us. President Eisenhower's spokesman, Under Secretary of State Douglas Dillon, said so himself. In an official appearance before the foreign aid committee, Secretary Dillon said, in effect, "we sure do need the money. But we do not know what we are going to do with it when we get it."

The cold truth, it appears to me, is that there is no need at this time for any such program as is proposed here. The cold truth is that this half a billion dollars will be of more use to our own country and our own taxpayers if it is used to begin a reduction of the national debt. And, Mr. Chairman, if it is an absolute must that we just throw away another half a billion dollars, I think the time has come when we throw it away in our own country, for the supposed benefit of our own taxpayers, rather than to throw it away in lavish programs for the benefit of the people of other lands.

I plead with all of you, on both sides of the aisle, to examine your consciences and examine your hearts—and then join me in an effort to defeat this bill.

(Mr. HALEY asked and was given permission to revise and extend his remarks.)

Mr. MORGAN. Mr. Chairman, I yield such time as he may desire to the gentleman from Texas [Mr. WRIGHT].

Mr. WRIGHT. Mr. Chairman, I think this is one of the most important and most timely subjects we could discuss here today.

Almost lost amid the fanfare and fireworks of this election year has been the aching problem of Latin America. It is time that we had a discussion of this subject, of what we are doing, and what we are not doing, to settle the seething ferment in our own hemisphere.

The 20 Republics of Central and South America and of the Caribbean are closer to us—and more important to us—than any other area of the world. They buy more of our goods and sell us more of

theirs than any other group of nations. Theirs is the world's fastest growing population. Their continued friendship, from a cold and selfish military standpoint, is indispensable to our safety.

Today Latin America is a churning cauldron of conflict, of keyed up emotions and long-smothered aspirations gasping for air. The problem it poses cannot be swept under the rug, nor solved by a gesture. We must not allow it to be obscured in our preoccupation with other matters.

The President, obviously shaken by the recent turn of events, has called upon Congress in an 11th hour move to pass this bill to authorize \$600 million for Latin American grants. One hundred million is for reconstruction in earthquake-smitten Chile.

The specific uses to which the remainder would be put are not entirely clear. We are told only that this authorization will strengthen the hands of our negotiators at the Inter-American Conference in Bogotá next month, and that the funds will probably go for potable water systems, vocational and technical training, and land utilization and settlement programs.

Let us not belittle the request. These are worthy goals. Yet the yawning need is not simply for more money. The problems will not be solved merely by money. The need is for a new outlook, for a new understanding, for a new approach.

We need to ask ourselves some searching questions. Why, in a land just 90 miles off our coast which owes its very independence to our sponsorship, can a man hold power while playing cozy games with the Communists and making our Nation the whipping boy of his ridiculous rantings?

Why is there such an unmistakable wave of sympathy throughout Latin America for "Castroismo" as it is called? Why did the attempted "Good Will Tour" of our Vice President turn into a series of riots? Why did Guatemala succumb completely to the Communist lure 6 years ago? And what must we do today to reverse the situation?

Part of the answer lies in the unmistakable appeal of Castro's land reform promises throughout a region of the world where 1.5 percent of the people own more than half of all of the tillable acreage. In Venezuela, 90 percent of the land is owned by 3 percent of the people.

In most Latin American countries, the preponderant majority are tenant farmers, impoverished, deeply in debt and without hope. Mired in the futility of a 20th Century feudalism, they see no promise of a brighter mañana through the slow and orderly processes.

Part of the answer lies in their tragic history of heartbreaking disappointments with corruptible leaders—and with the fact that the United States has too often been identified in Latin minds with unpopular and undemocratic local regimes which often have dispensed our largesse as though it were their own patronage and sometimes used our military assistance for their own internal purposes in the manner of police states.

A part of the truth is that they have seen in us the symbol of self-assumed superiority. The fact that we for the most part have refused even to try their language and have required them instead to use ours for communications between us has rancored.

And a part of the answer lies, of course, in the aggressive nature of the Communist propaganda menace. When the Voice of America was forced through a shortage of funds in 1953 to abandon its wave length to Guatemala, this was snapped up immediately by the Soviets and a few months later that country fell to the Red Arbenz regime.

Communist China, concentrating on Latin America as one of its chief targets, last year induced more than 400 Latin American opinion makers to visit its country. Students, educators, labor leaders, writers, and even political leaders were given expense free trips. Going one step further, Peiping and Moscow weekly beam throughout Latin American countries 74 hours of Spanish language broadcasts and 28 hours in Portuguese, the language of Brazil in which we seldom offer any broadcasts.

Where do we start in recapturing our lost prestige and in recreating the friendship so carefully nurtured over the years through the good neighbor policy? Let us start by showing that we stand for something, not only against something. Let us exert an influence in every country for regular, free elections—for the guarantee of individual liberties—for nonviolent local self-determination.

We could demonstrate that land reform may be achieved without Communist confiscation through a sort of Latin-American FHA, where we could join 50-50 with friendly governments not in gifts but in loan guarantees for tenant farmers to buy small parcels of their own to be paid out over the long pull from their own crops. Nothing stabilizes a people like home and farm ownership.

A friend of mine who is on a teaching fellowship in Central America says, "Most students do not have the money needed for books." Why not set up mobile lending libraries with inexpensively bound copies of the good American books in Spanish?

And let us require all our Government employees—and encourage privately employed Americans throughout Latin America—to learn their language. Our diplomats should stop giving the impression of cultivating only the cream of local society—the limousine and fur set—and of being disinterested in the "great unwashed," the average people to whom the Soviets are making their fervid appeal.

Labor leaders in Latin America often are the first targets of Soviet propaganda. Let us beat the Communists to the punch by an exchange program, bringing labor leaders here for visits in the homes of local American union officers—radio commentators for visits with American newscasters—teachers with teachers and newsmen with newsmen.

Let us show, in deeds as well as words, that we want not only to be understood

but to understand them. Above all else, let us keep the reservoir of good will that we have left by behaving honorably. Let us never truckle to the corrupt nor appear to offer bribes. Honest respect begets true friendship which is infinitely better than pretended affection. "There was a time," sadly recalled an old Latin American hand with our Bureau of Public Roads, "when palabra ingles (the English word) meant something everywhere in the hemisphere. Today it means nothing." Let us make it mean something again.

(Mr. WRIGHT asked and was given permission to revise and extend his remarks.)

[Mr. O'HARA of Illinois addressed the Committee. His remarks will appear hereafter in the Appendix.]

Mr. JUDD. Mr. Chairman, I yield 5 minutes to the gentleman from Pennsylvania [Mr. FULTON].

Mr. FULTON. Mr. Chairman, the problem here is whether we strengthen the hand of our United States representatives who are now leaving to negotiate next week on Latin America at the Bogota Conference. We should recognize our good friends and neighbors of Latin America and actually give them equal treatment with the countries the United States has previously aided under the Marshall plan.

As many of you know, there has been much criticism because the United States had first moved to aid European countries. Many of us know that it was because they had to be aided immediately to repair war damage and dislocation from world. That is an industrial area that had to be restored under the threat of aggression, and the threat was immediate at that time.

In Latin America are some of the best customers and best friends we in the United States have in this entire world. We are a Western Hemisphere republic, and these countries are neighbors and also Western Hemisphere people. We have the same heritage, and all face many of the same problems.

I would like to point out to you that this bill for economic aid to Latin America is a bipartisan measure, that in each of the Republican and Democratic parties, the leaders have said that we favor a program of this type for Latin America.

The Republican platform of 1960 has this quotation on Latin America and other countries:

In Latin America, Asia, Africa and the Middle East, people of ancient and recent independence have shown their determination to improve their standards of living, and to enjoy an equality with the rest of mankind in the enjoyment of the fruits of civilization. This determination has become a primary fact of their political life. We declare ourselves to be in sympathy with their aspirations. * * * We will encourage the countries of Latin America, Africa, the Middle East and Asia, to initiate appropriate regional groupings to work out plans for economic and educational development. We anticipate that the United Nations Special Fund would be of assistance in developing such plans. The United States would offer its cooperation in planning, and the provision of technical personnel for this pur-

pose. Agreeable to the developing nations, we would join with them in inviting countries with advanced economies to share with us a proportionate part of the capital and technical aid required. We would emphasize the increasing use of private capital and government loans, rather than outright grants, as a means of fostering independence and mutual respect. The President's recent initiation of a joint partnership program for Latin America opens the way to this approach.

I would like to say to the House this is a joint partnership program approach for Latin America, that not only President Eisenhower but our previous President, Harry Truman, of the other party, has recommended economic aid, and technical assistance for the Latin American countries. Likewise, it is a constructive extension of the good neighbor policy that was proposed and entered into under President Roosevelt. It was a bipartisan approach.

May I point out that not only the Republican nominee for President, Mr. Nixon, but also the Democratic nominee for President, Mr. KENNEDY, have approved this bill and recommend the program.

Previously in 1959 both Senator JOHNSON and Senator KENNEDY, the presidential and vice presidential candidates, voted on foreign aid and favored such aid programs, and this was before politics of a predetermined nature of 1960 came into question.

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

Mr. JUDD. Mr. Chairman, I yield the gentleman 5 additional minutes.

Mr. FULTON. Mr. Chairman, we find that when the 1959 foreign aid program was before the Senate, both Senator JOHNSON and Senator KENNEDY voted against a cut in the Development Loan Fund authorization. In 1959 both Senator KENNEDY and Senator JOHNSON voted against an amendment to require the President to submit a detailed estimate, country by country, on future foreign aid requests.

It is particularly appropriate to consider that second point here because there has been some comment made by the opponents to this bill that there should be submitted detailed country by country estimates on this kind of a foreign aid request. As we know, on this kind of social and economic aid program, such kind of a prior country by country estimate is impossible, because at Bogotá we are going to consult as to how these various countries can help themselves, then how we in the United States can work in partnership with these Latin American countries for peace and progress. So we must wait until these programs are set up country by country by consultation and cooperation. These proposals must be worked upon by our people in the State Department, and under the mutual security program, as well as the various programs such as the Development Loan Cooperation Fund, the Export-Import Bank, the International Bank for Reconstruction and Development, and others.

Mr. NIXON on May 21, 1958, expressed his sincere interest in Latin America. This proves that the Latin American interest and approach is a bipartisan policy. I will put that statement of Vice President Nixon in the RECORD.

It is as follows:

We must prove that * * * when private enterprise comes into Latin America * * * we do so not for the purpose of keeping in power a group of the elite (nor) of making the rich richer and keeping the poor poorer * * * but that * * * our policies are designed * * * to raise the standards of living of the miserably poor people all over Latin America * * * through a program of private enterprise of the 20th century enlightened type * * * combined with government assistance in those areas where private enterprise cannot do the job.

Mr. Chairman, I would like to point out further that I attended the Rio Economic Conference as an observer in 1954. At that time I recommended that the United States adopt a policy which would result during the current administration in \$1 billion in economic and development aid through loans of the type of the Marshall plan aid or similar aid for nations in the Latin America and the Caribbean area. Since this proposal in 1954, the U.S. Government has to date already obligated \$398.2 million in mutual security for nonmilitary assistance aid to Latin America.

On August 25, 1960, the House Committee on Foreign Affairs, of which I have been a member for almost 14 years, voted to report out the present bill introduced by our chairman, the gentleman from Pennsylvania [Mr. MORGAN], which we are discussing here, authorizing an additional \$600 million in aid for Latin American nations. The \$600 million authorization has already passed the other body and has been approved by the presidential candidates of both parties.

I am pleased to advise you that with this current \$600 million new authorization, the total that has been obligated previously and presently authorized will be \$998.2 million worth of U.S. economic aid for Latin America. As I stated to you, my recommendation in 1954 had been \$1 billion, after having studied this matter and attended the Rio Economic Conference to see firsthand what the problems were, and I am glad to see that such a constructive program has now been implemented by the administration.

I would also like to point out to you that the U.S. sugar program of quotas and imports from Cuba into the United States and from various other countries, and territories of this country has always been a bipartisan program, supported by both the Republican and Democratic parties, so that I was glad to see that when we finished the last session of the Congress in the House on the last evening, the new sugar program of 1960 went through by not a disputed vote but by a unanimous voice vote.

I would like to point out that in the hearings on this bill before the House Foreign Affairs Committee, I questioned Secretary Dillon on the possibility of a proposal under this aid program, in connection with this \$600 million authoriza-

tion. As you know, I come from the city of Pittsburgh and the city of Clairton, Pa., known as the iron, steel, oil, coal, copper, aluminum manufacturing cities. I had questioned Mr. Dillon on whether we could not have the kind of a program that would try to use the surplus second-hand automobiles of this country, surplus trucks, railroad cars and equipment, motorcycles, and bicycles. My feeling is that if the Latin American people get transportation, that they will quickly progress and open up the backward areas, and resources, that are so badly needed. I am quoting from the hearings of the House Foreign Affairs Committee on the current bill for Latin American aid:

Mr. FULTON. I am interested particularly in transportation because I feel that will open new areas and enable localities and their people to move from isolation and poverty to progress, and access to resources and markets.

So this program then should include railroads, river transportation and roads, and would likewise include bridges and public works, would it not?

Mr. DILLON. That is correct. Roads are one of the main needs. For instance, in the Peruvian program, there is a very good region on the eastern slope of the Andes which had never been settled because it is hard to get across the Andes. You have to build roads through there and as soon as they are built, people move in and begin to settle there.

Mr. FULTON. I am glad to see that you are proposing to extend the Public Law 480 program, the distribution of U.S. agricultural surpluses abroad, as you have mentioned in your statement chiefly to Chile, but also throughout Latin America. I feel that is a very good move, as we in the U.S. Government should move promptly to dispose of our U.S. agricultural surpluses for good purposes among our friends and neighbors in Latin America who are among our best friends and customers.

Secondly, is there any way under this program where you could finance the moving of secondhand railroad equipment, automobiles, trucks, motorcycles and bicycles, as well as used planes and aviation equipment out of the United States, and put the South American people on good roads and in modern equipment? They might do better for themselves and it certainly would create whole new industries, create new employment, new uses of oil, steel, copper, electrical equipment and would certainly stimulate U.S. industry, increase employment and create millions of new customers for the basic industries of the United States and Latin America.

Mr. DILLON. That is something we will have to investigate.

At the time of the testimony of the gentleman from Pennsylvania [Mr. Flood], before the House Committee on Foreign Affairs on Friday, June 17, 1960, during a meeting of the Subcommittee on Inter-American Affairs, the following colloquy occurred:

Mr. FULTON (to Congressman Flood). The question then comes, should there be a corollary to your approach to the Monroe Doctrine that would say that within the various countries of the Western Hemisphere there should be mutual agreement against armed aggression and to forbid external pressures against the peace and security of the people of another country by subversive methods.

Mr. Flood. My answer is yes.

Mr. FULTON. You agree it would almost be necessary to have the Monroe Doctrine enlarged because one country is used as a base and then the operations are from there with-

in the Western Hemisphere. So, that it is really a requirement of more than the Monroe Doctrine principles.

Mr. Flood. That is right.

Mr. FULTON. You use the Monroe Doctrine as a base for a change of U.S. policy in our hemisphere. I would go further than the Monroe Doctrine and add this policy as a necessary corollary for the protection of the individual countries and peoples in North and South America from armed attack and subversion by any outside power in Europe, Asia, or Africa, and also defend each country against armed attack, or outside pressures and subversion against the peace and security, by any other country of this hemisphere.

Mr. Chairman, we need a strong, firm U.S. policy for the Western Hemisphere based on the Monroe Doctrine and broadened to suit current needs, when we are faced with threats to our hemisphere security and progress through military power and new forms of subversion.

Mr. MORGAN. Mr. Chairman, I yield 5 minutes to the gentleman from Virginia [Mr. HARDY].

(Mr. HARDY asked and was given permission to revise and extend his remarks.)

[Mr. HARDY addressed the Committee. His remarks will appear hereafter in the Appendix.]

Mr. MORGAN. Mr. Chairman, I yield 2 minutes to the gentleman from West Virginia [Mr. BAILEY].

Mr. BAILEY. Mr. Chairman, when the distinguished gentleman from Minnesota [Mr. Judd] discussed this bill earlier in the general debate he asked the direct question, "Why is this legislation necessary?" I want to ask the same question, "Why is this legislation necessary?"

Yesterday morning I was told that there would be no more meetings of the Rules Committee. Later in the day a meeting of the Rules Committee was held and this legislation was reported. Nobody in the House as far as I am informed knew anything about the existence of such legislation.

They refer to it as an emergency; an emergency, I ask you, that takes precedence over the welfare of the boys and girls of America that need the school construction bill that is presently bottled up in the Rules Committee?

I want to read from the Washington Daily News of today an interview with Judge SMITH, chairman of the Rules Committee. During the course of the interview the reporter wanted to know the judge's position, and he said:

I just paddle along and take a licking when it comes, but I don't let it worry me.

He said:

I've never conceived the role of the Rules Committee to be to report out for consideration on the floor everything everybody wants. Why, some of those bills are Rube Goldberg things.

A little later the article stated:

The reason, in his view, is simple: The Federal Government's got no moral or constitutional right to get into the field of public education.

In other words, what my colleagues and I are trying to do for the boys and

girls of this country is a Rube Goldberg proposition, in his view.

I am just making the point that this proposition is inexcusable as it appears before the House today for consideration. You are not giving these countries the money, you are just taking the opportunity to ram down the throat of the House an authorization for a new spending program abroad.

When the President took it on himself to chide and even laugh at the Democratic Members of the House because of their impotency and inability to agree on a program, I thought the "honeymoon" was over.

Mr. MORGAN. Mr. Chairman, I yield 5 minutes to the gentleman from Florida [Mr. FASCELL].

(Mr. FASCELL asked and was given permission to revise and extend his remarks.)

Mr. FASCELL. Mr. Chairman, the Congress of the United States and this House finds itself today in a peculiar political box from which I can see no chance of escaping without doing great damage to our international relations throughout the world. This is the practical aspect of the matter before us today.

It has been said that there is no urgency. Do you not feel that the growing Communist strength in Cuba is an urgent matter for the United States? Those who say there is no urgency, do you mean that there are no serious disputes between the inter-American states which is dangerous to the security of the United States and the free people of the world? When you say there is no urgency, do you mean that there was no emergency which caused the meeting of the Organization of American States? Can it be said that there is no urgency in the concern of our Latin neighbors about the tremendous impact of the economic revolution taking place all through Central and South America? Their votes at every conference reflect their concern over the feelings of their people. Do you mean that we in the United States should not recognize the Latin American attitude of today as an urgent matter?

Do you mean to say, when you say that there is no urgency, that you believe the Western Hemisphere is not really the bulwark of freedom for the free people in our fight against communism but rather that we are just going to open up Latin America to the Communists because those who object to this proposal do not have a good alternative? I have heard none mentioned here today.

Some do not like the dollar sign. I do not like it either. But it takes dollars properly used to effect the programs the Latins themselves have been urging to faster economic changes in a peaceful manner. Because we do not like the dollar sign are we going to open the door and let the Commies come in and take over all of Latin America?

Do you mean to tell me there is no urgency in the meeting at Bogotá where the economic ministers will meet to determine a progressive and affirmative program for Latin America?

Do you mean to tell me there is no need in Latin America for the program

as the Secretary testified before our committee program on page 5 of the hearings:

Such an authorization would provide a framework within which we and our friends from Latin America can develop new and more effective plans and programs for attacking the problems of social progress.

We envisage that the conference should agree upon the basic objectives of a program for social development which gives primary attention to needs in three broad areas: First, improvement of the conditions of rural living and land use; second, improvement of housing and community facilities; and, third, improvement of educational systems and training facilities.

Yes; that need is there. There is no question about that. We all know it and recognize it—no one here today disputes it.

Mr. Chairman, the gentleman from Virginia [Mr. HARDY] was correct when he said that there is no need for authorization, except for the money amount. Legally and technically you can accomplish all of the objectives of this Latin program, as pointed out by the Assistant Secretary on page 27 of the hearings under the mutual security program. But this bill is to emphasize our interest in Latin America. It is demonstrative evidence of our sincere desire. Many people have insisted upon emphasis in Latin America, foreseeing the very difficulty we are in at this minute. The President's brother as far back as 1953, reported to the President of the United States the need for a new look at Latin America. The Foreign Relations Committee in the Senate and the Foreign Affairs Committee in the House have long ago reported on the economic revolution taking place in Latin America and the need for an affirmative and strong program and leadership by the administration. So what we have to do and what we are faced with today is the necessity for the Congress, even though we have existing legislation, to emphasize to Latin America and to the world that we want to do something and, finally, at long last, we are moving to answer the urgent needs in Latin America. All those who have advocated emphasis in Latin America are going to have their opportunity today to vote on a bill which provides a part of that emphasis.

Mr. HARDY. Mr. Chairman, will the gentleman yield?

Mr. FASCELL. I yield to the gentleman from Virginia.

Mr. HARDY. I am in complete accord that we need to do something to emphasize attention on Latin America and our attention to the needs down there. But would we not be in better shape to direct that attention be paid under the full resources of the existing law rather than providing additional funds just because somebody said we need a dollar sign?

Mr. FASCELL. If you could explain that in Latin America that would be fine, but the facts of life are that this bill is labeled a Latin American bill. This is the only way that clear emphasis can be had and the gentleman knows this. This is the only way you are going to

get this idea across that the President finally recognizes the need for a new approach and the Congress is asked to support this new approach, notwithstanding that everything sought to be done can be done under existing law and obviously and admittedly has not been done. It would not do any good simply to reiterate support for Latin America under the mutual security bill at the Bogotá Conference.

Admittedly this bill—nor dollars alone—is not the sole answer to Latin America's economic needs—nor to Communism in Latin America—but it does represent the United States' effort to improve an important facet of the whole problem.

This must be followed with a strong nonmonetary effort on the part of the United States and Latin American countries to formulate affirmative political and economic programs and climates conducive to free world objectives.

The Clerk read as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

STATEMENT OF POLICY

SECTION 1. (a) It is the sense of the Congress that—

(1) the historic, economic, political, and geographic relationships among the American Republics are unique and of special significance and, as appropriate, should be so recognized in future legislation;

(2) although governmental forms differ among the American Republics, the peoples of all the Americas are dedicated to the creation and maintenance of governments which will promote individual freedom;

(3) the interests of the American Republics are so interrelated that sound social and economic progress in each is of importance to all and that lack of it in any American Republic may have serious repercussions in others;

(4) for the peoples of Latin America to continue to progress within the framework of our common heritage of democratic ideals, there is a compelling need for the achievement of social and economic advance adequate to meet the legitimate aspirations of the individual citizens of the countries of Latin America for a better way of life;

(5) there is a need for a plan of hemispheric development, open to all American Republics which cooperate in such plan, based upon a strong production effort, the expansion of foreign trade, the creation and maintenance of internal financial stability, the growth of free economic and social institutions, and the development of economic cooperation, including all possible steps to establish and maintain equitable rates of exchange and to bring about the progressive elimination of trade barriers;

(6) mindful of the advantages which the United States has enjoyed through the existence of a large domestic market with no internal trade barriers, and believing that similar advantages can accrue to all countries, it is the hope of the people of the United States that all American Republics will jointly exert sustained common efforts which will speedily achieve that economic cooperation in the Western Hemisphere which is essential for lasting peace and prosperity; and

(7) accordingly, it is declared to be the policy of the people of the United States to sustain and strengthen principles of individual liberty, free institutions, private enterprise, and genuine independence in the Western Hemisphere through cooperation with all American Republics which partici-

pate in a joint development program based upon help-help and mutual efforts.

(b) In order to carry forward the above policy, the Congress hereby—

(1) urges the President through our constitutional processes to develop cooperative programs on a bilateral or multilateral basis which will set forth specific plans of action designed to foster economic progress and improvements in the welfare and level of living of all the peoples of the American Republics on the basis of joint aid, mutual effort, and common sacrifice;

(2) proposes the development of workable procedures to expand hemispheric trade and to moderate extreme price fluctuations in commodities which are of exceptional importance in the economies of the American Republics, and encourages the development of regional economic cooperation among the American Republics;

(3) supports the development of a more accurate and sympathetic understanding among the peoples of the American Republics through a greater interchange of persons, ideas, techniques, and educational, scientific, and cultural achievements;

(4) supports the strengthening of free democratic trade unions to raise standards of living through improved management-labor relations;

(5) favors the progressive development of common standards with respect to the rights and the responsibilities of private investment which flows across national boundaries within the Western Hemisphere;

(6) supports the consolidation of the public institutions and agencies of inter-American cooperation, insofar as feasible, within the structure of the Organization of American States and the strengthening of the personnel resources and authority of the Organization in order that it may play a role of increasing importance in all aspects of hemispheric cooperation; and

(7) declares that it is prepared to give careful and sympathetic consideration to programs which the President may develop for the purpose of promoting these policies.

AUTHORIZATION

SEC. 2. In order to carry out the purposes of section 1 of this Act, there is hereby authorized to be appropriated to the President not to exceed \$500,000,000, which shall remain available until expended, and which the President may use, subject to such further legislative provisions as may be enacted, in addition to other funds available for such purposes, on such terms and conditions as he may specify. The Secretary of State shall keep the Committee on Foreign Relations of the Senate and the Committee on Foreign Affairs of the House currently informed about plans and programs for the utilization of such funds.

The CHAIRMAN. The Clerk will report the committee amendments.

The Clerk read as follows:

Committee amendment: On page 4, line 4, strike the word "gradual" and on page 4, line 5, strike the words "common markets" and insert in lieu thereof "economic cooperation".

The committee amendment was agreed to.

The Clerk read as follows:

Committee amendment: On page 5, line 5, strike the last number "2" and insert in lieu thereof "1".

The committee amendment was agreed to.

The Clerk read as follows:

Committee amendment: On page 4, after line 11, insert the following: "(4) supports the strengthening of free democratic trade unions to raise standards of living through

improved management-labor relations;" and renumber the following subsections.

The committee amendment was agreed to.

The Clerk read as follows:

Committee amendment: On page 5, line 7, strike "Secretary of State" and insert in lieu thereof "President" and in lines 8 and 9, strike "Secretary" and insert in lieu thereof "President".

The committee amendment was agreed to.

Mr. BURLESON. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BURLESON: On page 5 strike out line 5 and all that follows down through line 17 on page 5, and renumber the following sections accordingly.

Mr. BURLESON. Mr. Chairman, in earlier remarks I indicated that in my opinion the effort in this legislation was to "do something."

Mr. Chairman, to leave in the statement of policy in this measure does something—I must say parenthetically I am not even enthusiastic about that but it makes clear our intent to discuss a program of assistance in Latin America. I think it is indicative of the interest of the people of this country that we are willing to discuss common and mutual problems.

Let our people in Bogotá next week discuss these problems on the basis of the policy statements which are clear and concise in the first section, and delete this authorization which carries a promise that has no basis. It cannot be justified by any available information. I am for the Chilean aid. As I recall it, we have already sent about \$25 million down there, and the estimate is it will take about \$400 million to rehabilitate Chile after this catastrophic earthquake which occurred not long ago. The Chilean people need help. They have applied for an Export-Import Bank loan and I hope they will be able to qualify for it. All Latin America will be aware of our response to this situation.

So we leave that in the bill, and we leave these other things in the bill. As I understand it, the appropriation is provided for in the last section. That being the case, we would come out with a bill to assist Chile; we would come out with a bill which says that our people will, in conference and discussion with people of Latin America, devise programs to bring before this Congress at its next session, for its consideration.

Mr. Chairman, this proposal is without precedent. To have legislation of this nature and in this form presented to us is not complimentary to this Congress, it is not complimentary to our friends in Latin America. We are taking our friends in Latin America for a bunch of idiots; if I must be so blunt as to say so. But remember my colleagues we are making a promise, we are committing ourselves to undefined obligations and unidentified programs. Oh, yes, we are committing ourselves for a long time in advance, starting with \$500 million. Why, eventually you will be looking at requests for billions of dollars. But I had rather look at a program like that which has substance, which has a plan,

which has a purpose, which has described goals, than to bring in 15 cents' worth of a bill like this and ask me to support it. If and when aid to Latin America is decided upon it should be in a businesslike, orderly way, without setting a precedent like this. We justify "do something" by adopting the first and third sections of the bill. Then you have something for our people to talk about and to negotiate about next week in Bogotá.

Mr. HALEY. Mr. Chairman, will the gentleman yield?

Mr. BURLESON. I yield to the gentleman from Florida.

Mr. HALEY. What the gentleman is saying is that we are starting a program here that no one has said what it is going to cost. We do not know whether it is \$500 million or what this program will cost. The gentleman says, let us take the language of the resolution or certain parts of it, let them go down there and come back and submit to the Congress of the United States a program that we know where we are going, what we are going to spend, and so forth. That is all the gentleman is asking for.

Mr. BURLESON. The gentleman is correct.

Mr. ADAIR. Mr. Chairman, will the gentleman yield?

Mr. BURLESON. I yield to the gentleman from Indiana.

Mr. ADAIR. Is it not true that under the gentleman's proposal there would be much money or little money sent down there as if we adopt the bill in its present form? Would any appropriated funds be available immediately?

Mr. BURLESON. No funds will be available under the authorization until appropriated but certainly the representatives of the United States meeting with Latin American officials will commit us to this sum.

Mr. ADAIR. It would be an indication of our intent and desire to help them.

Mr. BURLESON. That is true, and there is clearly expressed in this bill a statement of policy. With that statement of policy and the action of the Congress in adopting the first section, will give our people all the prestige they will need to carry on the negotiations.

I trust, Mr. Chairman, that the amendment I offer will be accepted.

The CHAIRMAN. The time of the gentleman from Texas has expired.

(Mr. BURLESON asked and was given permission to revise and extend his remarks.)

Mr. MORGAN. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, the gentleman from Texas is a most valuable member of the Committee on Foreign Affairs, and I certainly value his friendship and his work on the committee over a period of a good many years. And, I regret that today I have to rise in opposition to one of his amendments.

Mr. Chairman, this amendment strikes at the very heart of the bill. I cannot guarantee to this House that if we vote for this \$500 million authorization that Latin America will not go Communist. But, let me say, that if we do not approve this \$500 million au-

thorization, we will knock the Bogotá Conference in the head. This is the heart of the bill, and if we adopt this amendment we will give the nations of Latin America a push in the wrong direction. I think this \$500 million is vitally needed. It has been urgently requested by the President of the United States. Under Secretary of State Dillon made several appearances on the Hill not only before committees, but he conferred with the chairman of the Senate Foreign Relations Committee and he visited me. I know he visited all the nominees for President and Vice President, and they approved this authorization. It is urgently needed. Our representatives are going to Bogotá next week, and I think this House will be making a terrific mistake if they adopt the amendment offered by the gentleman from Texas.

Mr. SELDEN. Mr. Chairman, I move to strike out the last word and ask unanimous consent to proceed for 5 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. SELDEN. Mr. Chairman, I address my remarks only to the sections of this bill which refer to Latin American aid, as I am unalterably opposed to the section which authorizes additional sums to the contingency fund to be used to stabilize the Communist-inclined government of the Republic of the Congo. It is my understanding, however, that the section dealing with an additional sum for the President's contingency fund will be eliminated by a committee amendment, which I certainly intend to support.

Mr. Chairman, by submitting this legislation to Congress on the eve of adjournment, the administration has presented us with the kind of dilemma posed by the question, "Have you stopped beating your wife?" The news of the administration's request for funds to embark on a new socially significant cooperative program with Latin America has been flashed to all the newspapers in that region. A refusal to enact this legislation could be interpreted by our friends in Latin America as congressional rejection of a program which they urgently require and have been urging for some time. On the other hand, congressional assent perforce implies that we give our wholehearted approval and support to the administration's proposal in its present form.

I retain grave doubts with regard to the authorization. I have no quarrel with the \$100 million which is earmarked for reconstruction in Chile. All of us, I am sure, are sympathetic with the Chileans' heroic efforts to rebuild their country from the rubble left by a series of earthquakes.

My reservations pertain to the \$500 million fund.

I am perturbed, in the first place, by the proposal's vagueness. We are told that the Inter-American Bank will probably administer the loan part of the program, amounting to 85 or 90 percent of the total. We are assured that the bank

will apply certain fiscal criteria so that the loans will not be devoured by inflationary procedures. But, then again, we are informed that definite arrangements are yet to be worked out in Bogotá.

No one in the administration has yet made clear how the new program is to be coordinated with the existing mechanisms for aid to Latin America—the Export-Import Bank, the IMF, the IBRD, ICA, Public Law 480 loans, and the Development Loan Fund.

The administration has been unable even to tell us how they arrived at the figure of \$500 million. It is a first installment, on we do not know what. In Secretary Dillon's words, "It could as well have been a different figure."

We are confronted with the argument that the administration has to go to Bogotá with the express backing of Congress spelled out—that the Latin Americans are weary and wary of repeated U.S. expressions of eagerness to cooperate, followed by inaction.

I am fearful that this hastily devised and vague legislation rammed through Congress in the waning hours of an emergency session may have the effect of raising the Latin American peoples' hopes beyond our ability to fulfill them.

The timing of the new aid program troubles me almost as much as its amorphous framework. Coming as it did on the eve of the Organization of American States meeting in Costa Rica to discuss the tense situation in the Caribbean, it unfortunately gave the appearance of a bribe dangled before the Latin American Republics to support our position. It is no secret that the plan is referred to by many Latin Americans as "the Castro plan."

Secretary Dillon testified to the Foreign Affairs Committee that the timing of the proposal was an unfortunate coincidence—that plans have been in the mill for some time. According to Mr. Dillon, Castro's excesses have jarred Latin American leaders into a realization that social reforms in their countries are essential if chaos is to be averted. In other words, the Latin Americans themselves are now ready to take the necessary measures to overhaul their archaic economic and social structures which are essential if our aid is to be effective. He further pointed out that the visits earlier this year to Washington of Prime Minister Beltran of Peru and President Lleras Camargo of Colombia helped to convince the administration that Latin America needed funds for social-type reforms, while President Eisenhower's visit to South America reinforced this view.

I can but wonder why it took visits of the heads of state to convince the administration that conditions in Latin America are ripe for the kind of instability and chaos that invites Communist meddling. What were our diplomats in the 20 American Republics reporting in the last several years? What about the repeated warnings and pleas of the Latin American delegates to inter-American conferences?

Despite my misgivings in connection with this measure, I believe a well-rounded program of hemisphere eco-

nomie cooperation to be the most effective weapon against the misery and unrest which make a desperate people willing to turn to alien doctrines in the hope of change.

The meeting which convenes next week in Bogotá presents an opportunity to hammer out, in cooperation with the other American Republics, methods to meet the challenge of Latin American stagnation and poverty. Also, I am aware that congressional rejection of this measure pledging our cooperation could have a demoralizing effect on the conference. For that reason I shall not oppose the measure on final passage provided an amendment has been adopted eliminating an additional sum for the President's contingency fund—section 4 of H.R. 13021.

At the same time, I sincerely believe this legislation could be further improved by cutting out reference to a specific figure. By adopting the amendment offered by the gentleman from Texas [Mr. BURLESON] we can retain the intent of this legislation, that is, the bipartisan support of Congress for a program of economic cooperation with the American Republics, without including a figure which all of us know was arrived at hastily and without due study. Only after the Bogotá Conference, when the administration has some firm idea of the kind of program we expect to undertake with our Latin American neighbors, can Congress authorize funds intelligently. For that reason, Mr. Chairman, I support the amendment offered by the gentleman from Texas.

[Mr. GROSS addressed the Committee. His remarks will appear hereafter in the Appendix.]

Mr. RAYBURN. Mr. Chairman, I ask for recognition.

Mr. Chairman, for the last several days there has been talk all around here that we were going to pass a resolution that in the future by appropriations we might do something for our friends in these Americas. I do not know how you feel about it, but I can tell you how I feel about it. I know that there are forces on this earth that are working against everything that a loyal American loves and treasures. I do not know who across either ocean is going to be standing by us when the time comes in the clash of little worlds that are thrown at each other. I know this, that we live in the most dangerous period of the Christian civilization that we know and enjoy. I know these forces would destroy not only the things that we treasure and love, but they would destroy us. When that time comes, these Americas must stand together or we are going to have no more Americas. It seems to me that you might just as well strike the enacting clause out of this resolution as to adopt the amendment offered by my distinguished and beloved colleague, the gentleman from Texas [Mr. BURLESON]. These people have been led to believe that we are going to do something about this. If they had not been led to believe a thing like this, it would be another matter. But these people in South America with the blood that flows through their

veins are a proud people. They are a little suspicious at times, I will agree, but they are a proud people and they believe that through our administration, and there is only one administration of foreign affairs at a time, that before the next American conference takes place, we must have something like this to offer to the people of South America to prove to them that we are interested in them—whether they have a democracy in name or even whether they have a democracy at all. They have the best that they can afford. I remember President Roosevelt was telling me one time that Mr. Vargas, the President of Brazil, was up here—President Roosevelt said to him, "You are a dictator." He said, "Of course, I am a dictator. You cannot govern a country where only 5 percent of the people are literate under what you call a democracy because they do not understand it."

It is going to take them years to learn what democracy is and what democracy means.

The Secretary of State called me on the telephone and he expressed his deep interest in this thing, hoping that we would not be misunderstood by our neighbors to the south who, I think, in the years to come are essential to our retaining our way of life.

So I do trust that this committee will vote down this amendment and let us go on and do what we are expected to do.

Mr. GROSS. Mr. Chairman, I offer a preferential motion.

The Clerk read as follows:

Mr. Gross moves that the Committee do now rise and report the bill back to the House with the recommendation that the enacting clause be stricken out.

(Mr. GROSS asked and was given permission to revise and extend his remarks.)

Mr. GROSS. Mr. Chairman, I just listened to the distinguished Speaker of the House. I thought surely he would shed some light on how this \$500 million would be spent, but he provided no light. In other words he, too, is asking us to hand over a blank check to those emissaries who will go to the Bogota Conference. The distinguished Speaker says the South Americans have been led to believe thus and so. Who led the South Americans to believe thus and so? Are we rubber stamps in the House of Representatives? Are we to be ignored in these deals that have been made on the basis of spending half a billion dollars?

The Speaker mentioned dictatorships in South America. Will the price tag on this bill eliminate the dictatorships in South America? You know the answer.

Mr. HALEY. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from Florida.

Mr. HALEY. Have we not heard for years, and years, and years, this giveaway talk: Unless we go ahead and appropriate this money, this country or that country is going to fall to the Communists? Have we not poured \$100 billion of the American taxpayers' money out to the far reaches of the earth? And apparently we are today in

worse shape than when we started this giveaway program.

This is never going to help anybody, and it is not going to make us any friends. You cannot buy friendship. People must in the first place want something and want to work for it. American dollars will never buy friendship.

Mr. GROSS. Certainly, the \$100 billion we have sent across the oceans ought to indicate who is standing with us and who is not standing with us. The Speaker implies that unless this bill is approved there will be no nation standing with the United States. Where are these nations today?

In Korea, for instance, we have two full divisions and are augmenting our forces, and we are maintaining the Seventh Fleet in Far Eastern waters at terrific expense to this Nation. Who is standing by us in Korea? Turkey has had 5,000 men in Korea. They are withdrawing all but about 500 of these troops. The British maintain in Korea an honor guard. Australia and Canada have only token forces stationed there. Who is standing by us in Korea and elsewhere? And yet we are asked to spend still another half billion dollars, and for what? We ask the question and we get no answer.

Mr. Chairman, I yield back the balance of my time.

[Mr. HALLECK addressed the Committee. His remarks will appear hereafter in the Appendix.]

The CHAIRMAN. The question is on the preferential motion offered by the gentleman from Iowa.

The motion was rejected.

The CHAIRMAN. The question recurs on the amendment offered by the gentleman from Texas [Mr. BURLESON].

The question was taken; and on a division (demanded by Mr. HALEY) there were—ayes 39, noes 119.

So the amendment was rejected.

Mr. BENTLEY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BENTLEY: On page 5, line 9, strike out the word "expended" and insert in lieu thereof "June 30, 1962."

Mr. BENTLEY. Mr. Chairman, I do not believe I will take the 5 minutes to explain the amendment, which is very simple. It merely puts a time limit on the authorization. As the language in the bill now reads, the authorization is indefinite; in other words, "available until expended."

The purpose of my amendment is to terminate the authorization at the end of fiscal 1962. It would require the executive branch to come up with plans and programs and to justify a new authorization by the end of fiscal 1962, which I believe will constitute a safeguard on the part of the Congress and at the same time would provide no limitation on the authorization at this moment.

I sincerely think an authorization is desirable. I intend to vote for the authorization, but I do think we should have some time limitation so that the executive branch can come back to the Committee on Foreign Affairs and pre-

sent new plans and programs when they are devised so that the Congress may know what is going on.

Mr. MORGAN. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from Michigan [Mr. BENTLEY].

Mr. Chairman, I feel this amendment is not necessary to protect the Congress. No appropriation can be made under this authorization without the approval of the Appropriations Committee, and a vote by the Congress. On the other hand, the limitation the gentleman offers in his amendment will take some of the edge off of our position at the conference in Bogotá, and will be interpreted, I am sure, as indicating some doubt on our part and a reservation with reference to our position.

Mr. Chairman, I trust the amendment will be defeated.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Michigan [Mr. BENTLEY].

The amendment was rejected.

Mr. BENTLEY. Mr. Chairman, I offer a second amendment.

The Clerk read as follows:

Amendment offered by Mr. BENTLEY: Page 5, line 13, strike out the period after "specify", insert a colon and the following: "Provided, That none of the funds made available pursuant to this section shall be used to furnish assistance to any country in Latin America being subjected to economic or diplomatic sanctions by the Organization of American States."

Mr. BENTLEY. Mr. Chairman, the purpose of this amendment is merely to strengthen any action that may have been taken or may be taken in the future by the Organization of American States against any member countries. I am sure that all Members of the House have certain countries in mind in this respect. I understand this amendment is acceptable to the administration. I understand it is acceptable to the Foreign Affairs Committee, and I do not believe it is necessary to take any more time. So, unless there is some question on the amendment, I yield back the remainder of my time.

Mr. MORGAN. Mr. Chairman, the chairman is not opposed to the amendment. He feels the amendment strengthens the bill.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Michigan [Mr. BENTLEY].

The amendment was agreed to.

The Clerk read as follows:

SPECIAL AUTHORIZATION FOR CHILEAN RECONSTRUCTION

SEC. 3. There is hereby authorized to be appropriated to the President not to exceed \$100,000,000, which shall remain available until expended, for use, in addition to other funds available for such purposes, in the reconstruction and rehabilitation of Chile on such terms and conditions as the President may specify.

MUTUAL SECURITY CONTINGENCY FUND

SEC. 4. (a) Section 451(b) of the Mutual Security Act of 1954, as amended, which relates to the President's special authority and contingency fund, is amended by striking out "\$150,000,000" in the first sentence and substituting "\$250,000,000".

(b) Section 551 of the Mutual Security Act of 1954, as amended, which relates to limitation on the use of the President's special authority, is amended by inserting before the period "*Provided, however, That the aforementioned authority may be used during the fiscal year 1961 to finance activities which normally would be financed from appropriations made pursuant to sections 411 (b) and 411(c) of this Act*".

Mr. MORGAN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. MORGAN: On page 6, strike out line 1 and all that follows down through line 6; and on page 6, line 7, strike out "(b)" and insert in lieu thereof "Sec. 4.".

Mr. MORGAN. Mr. Chairman, this amendment simply strikes out the request for increased authorization in the contingency fund. I ask for its adoption.

Mr. O'HARA of Illinois. Mr. Chairman, will the gentleman yield?

Mr. MORGAN. I yield to the gentleman from Illinois.

Mr. O'HARA of Illinois. May I ask why this is done, Mr. Chairman?

Mr. MORGAN. Well, the gentleman knows that the Committee on Appropriations has already approved the increase in the contingency fund. They increased it from \$150 million to \$250 million, and the authorization is no longer necessary.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania [Mr. MORGAN].

The amendment was agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly, the Committee rose; and the Speaker having resumed the chair, Mr. THORNBERRY, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee having had under consideration the bill (H.R. 13021) to provide for assistance in the development of Latin America and in the reconstruction of Chile, and for other purposes, pursuant to House Resolution 637, he reported the bill back to the House with sundry amendments adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered. In a separate vote demanded on any amendment? If not, the chair will put them en gros.

The amendments were agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

Mr. ADAIR. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. ADAIR. I am, Mr. Speaker.

The SPEAKER. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. ADAIR moves to recommit the bill H.R. 13021 to the Committee on Foreign Affairs.

The SPEAKER. Without objection, the previous question is ordered.

There was no objection.

The SPEAKER. The question is on the motion to recommit.

The question was taken; and the Speaker announced that the yeas had it.

The SPEAKER. The Chair will count. [After counting.] Two hundred and eighteen Members are present, a quorum.

Mr. GROSS. Mr. Speaker, I demand the yeas and nays.

The yeas and nays were refused.

So the motion to recommit was rejected.

The SPEAKER. The question is on passage of the bill.

Mr. WILLIAMS. Mr. Speaker, on that I ask for the yeas and nays.

The yeas and nays were refused.

The bill was passed.

A motion to reconsider was laid on the table.

Mr. MORGAN. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 3861) to provide for assistance in the development of Latin America and in the reconstruction of Chile, and for other purposes, a similar bill to the one just passed by the House.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

Mr. GROSS. Mr. Speaker, I object.

PRICE SUPPORT FOR MILK AND BUTTERFAT

Mr. COLMER. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 636 and ask for its immediate consideration.

The Clerk read as follows:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (S. 2917) to establish a price support level for milk and butterfat. After general debate, which shall be confined to the bill, and shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Agriculture, the bill shall be read for amendment under the five-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. COLMER. Mr. Speaker, I yield the usual 30 minutes to gentleman from Ohio [Mr. BROWN], and pending that I yield myself such time as I may require.

Mr. Speaker, as the reading of the rule indicates this is a rule making in order the consideration of the bill S. 2917, to establish a price support level for milk and butterfat. The rule provides for 1 hour of general debate and is an open rule. The bill will be explained when we go into the Committee of the Whole.

Mr. BROWN of Ohio. Mr. Speaker, I yield myself such time as I may use, and

ask unanimous consent to speak out of order.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. BROWN of Ohio. Mr. Speaker, as the gentleman from Mississippi has said, this resolution makes in order the consideration of the bill S. 2917, a bill which will change slightly the price supports for milk and butter fat for the period which will expire on March 31, 1961. The members of the Committee on Agriculture, from which this measure was reported, and I understand was unanimously reported, will of course explain in full the exact content and purpose of this measure.

Mr. Speaker, I have asked permission to speak out of order at this time in so I may, as the oldest member of the Ohio Republican delegation, in point of service, at least, call the attention of the House to the fact that three very distinguished Members of this body, three very distinguished Ohioans, will leave the Congress voluntarily when the Speaker's gavel falls for the sine die adjournment of this session.

These three gentlemen I have mentioned include, first of all, a man who has served with great distinction 28 years in this House, Representative WILLIAM E. HESS, of the Second Congressional District of Ohio. Mr. HESS originally served, as you will recall, on the Committee on Military Affairs, and then later has served his country just as ably and well, as a member of the important House Committee on Armed Services.

It has been my pleasure to know Representative HESS, Bill HESS, as we all know him and love him, since he was a small lad. His father, also named William E. HESS, was long one of the outstanding citizens of Ohio. He was one of my warmest personal friends, and helped start me on my political career some 43 years ago.

BILL HESS, as a member of the Committee on Armed Services has saved this country untold millions of dollars. Many of you will recall that as chairman, and as ranking member, of a special subcommittee investigating defense contracts and military spending he and his colleague, the gentleman from Louisiana [Mr. HEBERT], working together exposed a great deal of waste and extravagance in military procurement, and brought about economies which saved millions, even hundreds of millions of dollars of the taxpayers' money.

WILLIAM E. "BILL" HESS retires from Congress of his own volition, although the people of his own congressional district and those of us who have served with him here urged him to continue his service here. It will be difficult to fill his place in the Congress of the United States, or in the hearts of those of us who learned to know him and to love him for the real gentleman that he is, and always has been.

Then, Mr. Speaker, we will lose from this Congress, when the final gavel falls, another Ohioan, A. D. BAUMHART, JR.—DAVE, as we call him—from the 13th Congressional District of Ohio. He has

served 8 years in the Congress of the United States. He was first elected to the 77th Congress, from which he resigned to enter the service of his country in the United States Navy, where he had a brilliant career as a naval officer and true patriot.

DAVE BAUMHART also served his party well in the State Republican organization of Ohio, and in the Republican National Committee here in Washington. He was, for a great while a member, and still is, a Member of the Committee on Merchant Marine and Fisheries, and also of the Committee on Space and Astronautics, where he has served ably and well. He is a man, as you all know, of charming personality and of great ability. He is in the prime of life. I am sure he will soon take an important place in the business and industrial life of our country. We all regret to see him make the decision, of his own volition, to retire from these legislative halls.

Then, Mr. Speaker, I call attention to the retirement of a third Member of our Ohio delegation, JOHN E. HENDERSON, of the 15th Congressional District, and of Cambridge, Ohio. JOHN E. HENDERSON, or "JACK," as we all know him, has served three terms in the House of Representatives. For a time, he was a member of the important Committee on Banking and Currency and, more recently, of course, has served with great distinction on the Committee on the Judiciary of the House. JOHN HENDERSON is a very able lawyer. He has a fine and wonderful family. We all regret that he has determined he should return to the private practice of law, rather than to continue his labors and service here in the Congress of the United States where he has served so ably and so well.

Mr. AVERY. Mr. Speaker, will the gentleman yield?

Mr. BROWN of Ohio. I yield to the gentleman from Kansas.

Mr. AVERY. Mr. Speaker, I thank the gentleman from Ohio for yielding. On this side of the aisle, and I am sure on both sides of the aisle, we will miss all the Members that the gentleman from Ohio [Mr. BROWN] has spoken of who will not return to the Congress next year.

Mr. Speaker, I would particularly want to pay tribute to our colleague of the Ohio delegation, JACK HENDERSON. JACK came to the Congress the same year I did, in the 84th Congress. We have been close friends both socially and legislatively since that time. The gentleman from Ohio remarked about Mr. HENDERSON retiring from the Congress to return to his native State of Ohio to practice law. Mr. Speaker, this is a departure from the usual proverb, on Capitol Hill that is the only way to leave the Congress is to die or to be defeated. But here we have an outstanding young Member of the Congress who has performed yeoman service for his country and for his party, and by his own volition, he has elected to return to his native State of Ohio. Certainly, the great loss that will be sustained by the Congress, we hope, will be recaptured by his native State of Ohio.

(Mr. AVERY asked and was given permission to revise and extend his remarks.)

[Mr. HALLECK addressed the House. His remarks will appear hereafter in the Appendix.]

Mr. BROWN of Ohio. I thank the minority leader very much and yield to the gentleman from Ohio [Mrs. BOLTON].

Mrs. BOLTON. Mr. Speaker, we Ohio Republicans are losing three of our most useful and beloved Members. Each has his own legitimate reasons for leaving this body, but we let them go very reluctantly. Indeed, our delegation will be longing for them in the succeeding sessions.

JOHN HENDERSON—Judiciary Committee—is a quiet fellow but such a firm, strong pillar of loyal Americanism. It is hard to part with him. Our loss will be his family's gain. His charming wife leaves her own mark on our delegation. May many years of joyous companionship be theirs.

DAVE BAUMHART—Merchant Marine and Fisheries, and Science and Astronautics—is another one of our stalwarts. In between his services here in this House he served us all through the Republican National Committee, and what an understanding person we always found him to be. But good luck to you in all you do, DAVE.

To me, to have BILL HESS—Armed Services—leave this body is a peculiarly poignant regret. He and his lovely wife were in and out of our home in the years when my good husband represented the 22d District of Ohio. In these 20 years of my incumbency he has been a tower of strength and a wonderful friend. We in the delegation will miss his stories, his guitar and his songs. Here in the House we shall be wishing for his forceful, quiet opinions and his smiling sanity. To you and Stella, BILL, my warm and affectionate good wishes. May long years of satisfying memories and pleasant living lie ahead of you.

Mr. BROWN of Ohio. Mr. Speaker, I yield to the gentleman from Ohio [Mr. BETTS].

Mr. BETTS. Mr. Speaker, the State of Ohio is extremely unfortunate in losing the services of three of its Members of Congress, WILLIAM HESS, A. D. BAUMHART, Jr., and JOHN HENDERSON. Each of these men is retiring voluntarily after rendering distinguished service to their respective districts as well as to the Nation.

BILL HESS has been a respected and valuable member of the Armed Services Committee for many years and has contributed much to the solution of difficult and complex problems of defense.

DAVE BAUMHART, whose congressional career was interrupted by military service during World War II, has been an outstanding member of the Committee on Merchant Marine and Fisheries as well as the recently formed Committee on Science and Astronautics.

JOHN HENDERSON's abilities while serving on the Banking and Currency and Judiciary Committees was recognized by his colleagues of both parties.

All of these men are capable public servants—admired and respected by everyone who has known and worked with them over the years. As one who

has been a close personal friend of each of them, I want to express my affection for them as well as my sadness at their departure from Congress. I join all of our colleagues in wishing them the very best of everything in the future.

Mr. BROWN of Ohio. Mr. Speaker, I yield to the gentleman from Ohio [Mr. SCHERER].

Mr. SCHERER. Mr. Speaker, unfortunately, the Ohio delegation is losing three outstanding Members of the Congress who, for different reasons, have decided to retire. However, there may be others of us who, after the November 8 elections, will wish that we had followed their example and retired voluntarily. I am confident, however, that BILL HESS, DAVE BAUMHART, and JACK HENDERSON, because of the outstanding service they have rendered and the high esteem in which they are held by their constituents, would have been returned to the 87th Congress by overwhelming majorities had they decided to seek reelection.

While I have known DAVE BAUMHART and JACK HENDERSON since I came to the Congress, and there are no two finer men who ever served in this body, the Hess and Scherer families were friends and neighbors before I was born. We lived on the same street in the same precinct.

No man had finer parents than BILL HESS. His father was a stalwart uncompromising Republican but one of the most universally liked men I ever had the privilege of knowing. I do not believe that I would be in the Congress of the United States if it were not for the late William Hess, Sr. It was he who encouraged me and gave me my first opportunity in political activity. BILL HESS has all of the same fine qualities, character, and personality as did his parents. He, too, is universally liked and respected, not only by the people of the Second Congressional District who have returned him to this Congress time and time again over the last 30 years but also by his colleagues in the Congress and the many friends he has made in all parts of the United States during his many years of outstanding, dedicated, and unselfish service to his country.

The districts which BILL HESS and I represent in the Congress include the greater Cincinnati area. In one sense it might be said that they overlap. This creates problems political and otherwise that sometimes are difficult to resolve. As I have said and acknowledged many times before, ever since I came to the Congress 8 years ago BILL HESS has been a tremendous help to me. In all that time there has not been a single instance of animosity or ill-will. There has not been one instance when problems and difficulties have not been resolved without rancor and with the utmost mutual understanding and respect. This has been possible because BILL HESS is the kind of a man his colleagues here in the House know him to be. For this relationship, I am deeply and profoundly grateful.

By BILL HESS' retirement not only the people of Cincinnati but the country are losing an able, dedicated, and conscientious

86TH CONGRESS
2D SESSION

H. R. 13021

IN THE SENATE OF THE UNITED STATES

AUGUST 31, 1960

Received; read twice, considered, read the third time, and passed

AN ACT

To provide for assistance in the development of Latin America and in the reconstruction of Chile, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 STATEMENT OF POLICY

4 SECTION 1. (a) It is the sense of the Congress that—

5 (1) the historic, economic, political, and geographic
6 relationships among the American Republics are unique
7 and of special significance and, as appropriate, should
8 be so recognized in future legislation;

9 (2) although governmental forms differ among the
10 American Republics, the peoples of all the Americas

1 are dedicated to the creation and maintenance of gov-
2 ernments which will promote individual freedom;

3 (3) the interests of the American Republics are
4 so interrelated that sound social and economic progress
5 in each is of importance to all and that lack of it in any
6 American Republic may have serious repercussions in
7 others;

8 (4) for the peoples of Latin America to continue
9 to progress within the framework of our common heri-
10 tage of democratic ideals, there is a compelling need for
11 the achievement of social and economic advance ade-
12 quate to meet the legitimate aspirations of the individual
13 citizens of the countries of Latin America for a better
14 way of life;

15 (5) there is a need for a plan of hemispheric devel-
16 opment, open to all American Republics which cooper-
17 ate in such plan, based upon a strong production effort,
18 the expansion of foreign trade, the creation and main-
19 tenance of internal financial stability, the growth of
20 free economic and social institutions, and the develop-
21 ment of economic cooperation, including all possible
22 steps to establish and maintain equitable rates of ex-
23 change and to bring about the progressive elimination
24 of trade barriers;

25 (6) mindful of the advantages which the United

1 States has enjoyed through the existence of a large do-
2 mestic market with no internal trade barriers, and believ-
3 ing that similar advantages can accrue to all countries,
4 it is the hope of the people of the United States that
5 all American Republics will jointly exert sustained com-
6 mon efforts which will speedily achieve that economic
7 cooperation in the Western Hemisphere which is essen-
8 tial for lasting peace and prosperity; and

9 (7) accordingly, it is declared to be the policy of
10 the people of the United States to sustain and strengthen
11 principles of individual liberty, free institutions, private
12 enterprise, and genuine independence in the Western
13 Hemisphere through cooperation with all American Re-
14 publices which participate in a joint development pro-
15 gram based upon self-help and mutual efforts.

16 (b) In order to carry forward the above policy, the
17 Congress hereby—

18 (1) urges the President through our constitutional
19 processes to develop cooperative programs on a bilateral
20 or multilateral basis which will set forth specific plans
21 of action designed to foster economic progress and im-
22 provements in the welfare and level of living of all the
23 peoples of the American Republics on the basis of joint
24 aid, mutual effort, and common sacrifice;

25 (2) proposes the development of workable proce-

1 dures to expand hemispheric trade and to moderate ex-
2 treme price fluctuations in commodities which are of ex-
3 ceptional importance in the economies of the American
4 Republics, and encourages the development of regional
5 economic cooperation among the American Republics;

6 (3) supports the development of a more accurate
7 and sympathetic understanding among the peoples of
8 the American Republics through a greater interchange
9 of persons, ideas, techniques, and educational, scientific,
10 and cultural achievements;

11 (4) supports the strengthening of free democratic
12 trade unions to raise standards of living through im-
13 proved management-labor relations;

14 (5) favors the progressive development of com-
15 mon standards with respect to the rights and the re-
16 sponsibilities of private investment which flows across
17 national boundaries within the Western Hemisphere;

18 (6) supports the consolidation of the public in-
19 stitutions and agencies of inter-American cooperation,
20 insofar as feasible, within the structure of the Organiza-
21 tion of American States and the strengthening of the
22 personnel resources and authority of the Organization in
23 order that it may play a role of increasing importance in
24 all aspects of hemispheric cooperation; and

25 (7) declares that it is prepared to give careful

and sympathetic consideration to programs which the President may develop for the purpose of promoting these policies.

AUTHORIZATION

SEC. 2. In order to carry out the purposes of section 1 of this Act, there is hereby authorized to be appropriated to the President not to exceed \$500,000,000, which shall remain available until expended, and which the President may use, subject to such further legislative provisions as may be enacted, in addition to other funds available for such purposes, on such terms and conditions as he may specify: *Provided*, That none of the funds made available pursuant to this section shall be used to furnish assistance to any country in Latin America being subjected to economic or diplomatic sanctions by the Organization of American States. The Secretary of State shall keep the Committee on Foreign Relations of the Senate and the Committee on Foreign Affairs of the House currently informed about plans and programs for the utilization of such funds.

SPECIAL AUTHORIZATION FOR CHILEAN RECONSTRUCTION

SEC. 3. There is hereby authorized to be appropriated to the President not to exceed \$100,000,000, which shall remain available until expended, for use, in addition to other funds available for such purposes, in the reconstruction and

1 rehabilitation of Chile on such terms and conditions as the
2 President may specify.

3 SEC. 4. Section 551 of the Mutual Security Act of 1954,
4 as amended, which relates to limitation on the use of the
5 President's special authority, is amended by inserting before
6 the period “: *Provided, however,* That the aforementioned
7 authority may be used during the fiscal year 1961 to finance
8 activities which normally would be financed from appropria-
9 tions made pursuant to sections 411 (b) and 411 (c) of this
10 Act”.

Passed the House of Representatives August 31, 1960.

Attest:

RALPH R. ROBERTS,

Clerk.

86TH CONGRESS
2d Session

H. R. 13021

AN ACT

To provide for assistance in the development of Latin America and in the reconstruction of Chile, and for other purposes.

AUGUST 31, 1960

Received; read twice, considered, read the third time,
and passed

Public Law 86-735
86th Congress, H. R. 13021
September 8, 1960

AN ACT

74 STAT. 869.

To provide for assistance in the development of Latin America and in the reconstruction of Chile, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

Latin America
and Chile.
Development and
reconstruction
assistance.

STATEMENT OF POLICY

SECTION 1. (a) It is the sense of the Congress that—

(1) the historic, economic, political, and geographic relationships among the American Republics are unique and of special significance and, as appropriate, should be so recognized in future legislation;

(2) although governmental forms differ among the American Republics, the peoples of all the Americas are dedicated to the creation and maintenance of governments which will promote individual freedom;

(3) the interests of the American Republics are so interrelated that sound social and economic progress in each is of importance to all and that lack of it in any American Republic may have serious repercussions in others;

(4) for the peoples of Latin America to continue to progress within the framework of our common heritage of democratic ideals, there is a compelling need for the achievement of social and economic advance adequate to meet the legitimate aspirations of the individual citizens of the countries of Latin America for a better way of life;

(5) there is a need for a plan of hemispheric development, open to all American Republics which cooperate in such plan, based upon a strong production effort, the expansion of foreign trade, the creation and maintenance of internal financial stability, the growth of free economic and social institutions, and the development of economic cooperation, including all possible steps to establish and maintain equitable rates of exchange and to bring about the progressive elimination of trade barriers;

(6) mindful of the advantages which the United States has enjoyed through the existence of a large domestic market with no internal trade barriers, and believing that similar advantages can accrue to all countries, it is the hope of the people of the United States that all American Republics will jointly exert sustained common efforts which will speedily achieve that economic cooperation in the Western Hemisphere which is essential for lasting peace and prosperity; and

(7) accordingly, it is declared to be the policy of the people of the United States to sustain and strengthen principles of individual liberty, free institutions, private enterprise, and genuine independence in the Western Hemisphere through cooperation with all American Republics which participate in a joint development program based upon self-help and mutual efforts.

(b) In order to carry forward the above policy, the Congress hereby—

(1) urges the President through our constitutional processes to develop cooperative programs on a bilateral or multilateral basis which will set forth specific plans of action designed to foster economic progress and improvements in the welfare and level of living of all the peoples of the American Republics on the basis of joint aid, mutual effort, and common sacrifice;

(2) proposes the development of workable procedures to expand hemispheric trade and to moderate extreme price fluctuations in commodities which are of exceptional importance in the economies of the American Republics, and encourages the development of regional economic cooperation among the American Republics;

(3) supports the development of a more accurate and sympathetic understanding among the peoples of the American Republics through a greater interchange of persons, ideas, techniques, and educational, scientific, and cultural achievements;

(4) supports the strengthening of free democratic trade unions to raise standards of living through improved management-labor relations;

(5) favors the progressive development of common standards with respect to the rights and the responsibilities of private investment which flows across national boundaries within the Western Hemisphere;

(6) supports the consolidation of the public institutions and agencies of inter-American cooperation, insofar as feasible, within the structure of the Organization of American States and the strengthening of the personnel resources and authority of the Organization in order that it may play a role of increasing importance in all aspects of hemispheric cooperation; and

(7) declares that it is prepared to give careful and sympathetic consideration to programs which the President may develop for the purpose of promoting these policies.

AUTHORIZATION

Appropriation.

SEC. 2. In order to carry out the purposes of section 1 of this Act, there is hereby authorized to be appropriated to the President not to exceed \$500,000,000, which shall remain available until expended, and which the President may use, subject to such further legislative provisions as may be enacted, in addition to other funds available for such purposes, on such terms and conditions as he may specify: *Provided*,

Restrictions.

That none of the funds made available pursuant to this section shall be used to furnish assistance to any country in Latin America being subjected to economic or diplomatic sanctions by the Organization of American States. The Secretary of State shall keep the Committee on Foreign Relations of the Senate and the Committee on Foreign Affairs of the House currently informed about plans and programs for the utilization of such funds.

SPECIAL AUTHORIZATION FOR CHILEAN RECONSTRUCTION

Appropriation.

SEC. 3. There is hereby authorized to be appropriated to the President not to exceed \$100,000,000, which shall remain available until expended, for use, in addition to other funds available for such purposes, in the reconstruction and rehabilitation of Chile on such terms and conditions as the President may specify.

74 STAT. 869.

74 STAT. 870.

September 8, 1960

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Pub. Law 86-735
74 STAT. 870.

SEC. 4. Section 551 of the Mutual Security Act of 1954, as amended, which relates to limitation on the use of the President's special authority, is amended by inserting before the period " : *Provided, however,* That the aforementioned authority may be used during the fiscal year 1961 to finance activities which normally would be financed from appropriations made pursuant to sections 411(b) and 411(c) of this Act".

Mutual Security
Act of 1954,
amendment.
73 Stat. 255.
22 USC 1753a.
69 Stat. 287;
70 Stat. 558.
22 USC 1931.

Approved September 8, 1960.

